



# ***Daily Report***

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## **LAST ISSUE**

# **China**

FBIS-CHI-96-142  
Tuesday  
23 July 1996

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# Daily Report

## China

FBIS-CHI-96-142

### CONTENTS

23 July 1996

NOTICE: An \* indicates material not disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

PRC: Spokesman: Qian To Urge Caution to U.S. on Taiwan [AFP] .....	1
PRC: Spokesman on U.S. Revoking Colombian President's Visa [XINHUA] .....	1
PRC: Qian Qichen Proposes Defense Dialogue at ARF [XINHUA] .....	2
PRC: Qian Qichen Stresses Peaceful Economic Development at ARF [XINHUA] .....	2
PRC: Qian Qichen Stresses Peaceful Settlement of Disputes at ARF [XINHUA] .....	3
PRC: Qian Qichen Reiterates Stance Supporting Ban on Nukes [XINHUA] .....	3
PRC: Qian Qichen Speaks at ARF on Promoting Regional Peace [XINHUA] .....	3
PRC: Spokesman Defends Territorial Claim to Paracel Islands [Tokyo KYODO] .....	4
PRC: Spokesman on South China Sea Issue [Hong Kong WEN WEI PO 23 Jul] .....	4

##### United States & Canada

PRC: Column Says U.S. Losing Business by Confronting Beijing [RENMIN RIBAO 18 Jul] ..	5
PRC: U.S. Fear of Loss of Control Causes Hostility [CHINA DAILY 23 Jul] .....	5

##### Northeast Asia

PRC: 'Article' Urges Watching Japan on Diaoyutai Dispute [Hong Kong ZHONGGUO TONGXUN SHE 22 Jul] .....	6
PRC: Vice President Rong Yiren Meets Japanese Guests [XINHUA] .....	7

##### Southeast Asia & Pacific

PRC: Qian Qichen, SRV's Nguyen Stress Bilateral Cooperation [XINHUA] .....	8
PRC: Commentary Hails Current Sino-Vietnamese Relations [RENMIN RIBAO 28 Jun] .....	8
PRC: Sino-Vietnamese Banks To Cooperate in Border Trade [XINHUA] .....	10
PRC: Beijing, Bangkok Pledge To Strengthen Cooperation [XINHUA] .....	10
PRC: Vice Premier Li Lanqing Meets Bangladesh Foreign Secretary [XINHUA] .....	10

##### Near East & South Asia

PRC: Qian Qichen, India's Gujral Pledge To Increase Cooperation [XINHUA] .....	11
PRC: Bangladesh Leader Tells Envoy of 'One China Policy' [XINHUA] .....	11
PRC: Egyptian Ambassador Urges Better Economic Cooperation [CHINA DAILY 22 Jul] .....	11
PRC: Nepal Telecom Workers' Union Calls Off Strike [XINHUA] .....	12

##### Sub-Saharan Africa

PRC: XINHUA Reports Envoy's Meeting With Angolan Prime Minister .....	12
PRC: Official Meets Mozambican Prime Minister [XINHUA] .....	13

#### NATIONAL AFFAIRS

##### Political & Social

PRC: Rotation System for Leading Government Officials Introduced [CHINA DAILY 23 Jul]	14
---	----

PRC: Commentary Urges Further Enforcement of 'Labor Law' [RENMIN RIBAO 5 Jul] .....	14
PRC: Wen Jiabao Inspects Ningxia's Xihaigu Area 12-17 Jul [XINHUA] .....	15
PRC: Yang Shangkun Inspects Jilin Province 28 Jun-6 Jul [JILIN RIBAO 9 Jul] .....	16
PRC: CPC Strengthens Control Over Publication [Hong Kong SING TAO JIH PAO 7 Jul] .....	16
PRC: Beijing Police Release Christians Held for Two Months [Hong Kong SOUTH CHINA MORNING POST 22 Jul] .....	17
PRC: Armed Police Force To Strengthen Management and Education [XINHUA] .....	17
PRC: AFP Reports Wife's Comments on Dissident's Poor Health .....	18
PRC: Family of Bao Tong Fear He 'Will Be Detained Indefinitely' [Hong Kong SOUTH CHINA MORNING POST 20 Jul] .....	19
PRC: Crime and Punishment in PRC [ZHEJIANG RIBAO, etc.] .....	19
PRC: Regulations Governing Special Signs Issued [XINHUA] .....	21

### Science & Technology

PRC: Elite Scientists, Academics Offered Special Medical Service [XINHUA] .....	24
PRC: Li Lanqing on University Science Work [XINHUA] .....	24

### Military & Public Security

PRC: 'Secret Document' Warns Against Foreign Spying [Hong Kong TUNG HSIANG 15 Jul] .....	26
PRC: PLA Hong Kong Garrison Commander Profiled [Hong Kong WEN WEI PO 17 Jul] .....	28
PRC: Ningxia Cracks Two Narcotics Trafficking Cases [NINGXIA RIBAO 3 Jul] .....	29
PRC: Yunnan Prefecture Achieves Results in Crackdown Struggle [NINGXIA RIBAO 6 Jul] ..	29

## ECONOMIC AFFAIRS

### General

PRC: Statistical Bureau Says Investment 'Under Control' [XINHUA] .....	31
PRC: Statistical Bureau Reports Increase in Individual Income [XINHUA] .....	31
PRC: Statistical Bureau Releases Retail Sales Figures Jan-Jun [XINHUA] .....	31
PRC: Decline in Large-, Medium-Sized Retail Enterprises Viewed [ZHONGGUO XINWEN SHE] .....	31
PRC: Leaders 'Divided' Over Economic Direction [Hong Kong HONG KONG STANDARD 20 Jul] .....	32
PRC: Official Says Natural Disasters Not To Hinder Growth [XINHUA] .....	32
PRC: Civil Affairs Minister Notes Losses From Natural Disasters [ZHONGGUO XINWEN SHE] .....	32
PRC: Minister Reports Good Start to 9th 5-Year Plan [XINHUA] .....	33
PRC: Situation in Textile Industry Worsening [CHINA DAILY 19 Jul] .....	33
PRC: Water Resource Minister Warns of Serious Water Crisis [XINHUA] .....	34
PRC: 'Sparkle Plan' To Have 100,000 Projects in 9th 5-Year Plan [XINHUA] .....	35
PRC: Minister on Importance of Mining Industry to Economy [XINHUA] .....	35
PRC: New Line Breaks Foreign Monopoly on Infant Food [XINHUA] .....	36

### Foreign Trade & Investment

PRC: State To Offer Loans, Tax Rebates To Bolster Exports [XINHUA] .....	36
PRC: Shanghai Mayor Meets Japanese Convenience Store Operators [Shanghai Radio] .....	36
PRC: Hainan's Laocheng Development Zone Seeking Investment [XINHUA] .....	37

### Agriculture

PRC: Commentator Stresses Agricultural, Rural Work [RENMIN RIBAO 15 Jul] .....	37
PRC: Income of Jiangsu Farmers Increases to 1,639 Yuan [XINHUA] .....	38
PRC: Official on Policy To Reject New Tobacco Joint Ventures [XINHUA] .....	38

PRC: Agriculture Ministry: Rural Industrial Output Up [XINHUA] .....	39
PRC: Ministry Reports Fertilizer Output Up Jan-Jun [XINHUA] .....	39

## REGIONAL AFFAIRS

### East Region

PRC: Fujian CPC Holds Plenary Session [FUJIAN RIBAO 26 Jun] .....	40
PRC: Fujian Governor Speaks on 3d-Stage Strike-Hard Campaign [Fuzhou Radio] .....	41
PRC: Fujian Registers Revenue of 10 Billion RMB Jan-Jun [ZHONGGUO XINWEN SHE] ...	41
PRC: Party Secretary Urges Combating Activities That Shake Stability [XINHUA RIBAO 30 Jun] .....	42
PRC: Former Nanjin Vice Mayor Faces Bribery Charges [ZHONGGUO XINWEN SHE] .....	42
PRC: Heavy Rains Push Water Beyond 'Danger Level' in Nanjing [XINHUA] .....	43
PRC: Shandong Handles Party, Administrative Discipline Cases [DAZHONG RIBAO 27 Jun]	43
PRC: Shandong Governor Speaks on Reforming County Economy [Jinan Radio] .....	44

### Central-South Region

PRC: Guangdong Official on Guidelines for Antipiracy, IPR Work [NANFANG RIBAO 4 Jun]	45
PRC: Guangdong Hitting Hard on Piracy [ZHONGGUO XINWEN SHE] .....	46
PRC: Guangzhou Subway Starts Construction [XINHUA] .....	46
PRC: Guangdong Reports 'Slow but Steady' Economic Growth Jan-Jun [ZHONGGUO XINWEN SHE] .....	46
PRC: Floods Trap 20,000, Affect Paddy Fields in Central Guangxi [ZHONGGUO XINWEN SHE] .....	47
PRC: Hubei Governor Speaks on Investments From Hong Kong [XINHUA] .....	47
PRC: Licenses of 148 Foreign-Funded Firms Canceled in Hubei [XINHUA] .....	48
PRC: Prospects for Hainan-Taiwan Economic Cooperation Viewed [XINHUA] .....	48
PRC: Hainan Reports 'Marked Progress' in Assisting Disabled [XINHUA] .....	48
PRC: Hainan Provincial Procuratorial Report [HAINAN RIBAO 4 Mar] .....	48
PRC: Hunan To Invest 40 Billion Yuan in Telecommunications [XINHUA] .....	53

### Southwest Region

PRC: World Bank Loans Benefit Education in Guizhou [XINHUA] .....	53
---	----

### North Region

PRC: Beijing City Establishes 12 New Companies Overseas [XINHUA] .....	54
PRC: Hebei Secretary on Results of Visit to Finland, Germany [HEBEI RIBAO 27 Jun] .....	54
PRC: Shanxi's County Secretary Arrested for Corruption [SHANXI RIBAO 5 Jul] .....	55
PRC: Tianjin Holds Party Committee Meeting 24 Jun [TIANJIN RIBAO 25 Jun] .....	56
PRC: Petrochemical Goods Entrepot Under Development in Tianjin [ZHONGGUO XINWEN SHE] .....	57

### Northeast Region

PRC: Jilin Intensifies Work Against Counterfeit Bank Notes [JILIN RIBAO 28 May] .....	58
PRC: Jilin Holds Executive Meeting on Economic Performance [JILIN RIBAO 3 Jul] .....	58

### Northwest Region

PRC: Xinjiang Leader Calls For Caution Against 'Separatism' [Urumqi TV] .....	59
---	----

## TAIWAN

Taiwan: Taipei Wishes To Discuss Sea Boundaries With Tokyo [Taipei CHUNG-YANG JIH-PAO 20 Jul] .....	61
---	----



Taiwan: Taipei Thanks Allies for Supporting UN Bid [ <i>Taiwan Central News Agency WWW</i> ]	61
Taiwan: APEC Telecommunications Meeting To Open 23 Jul [ <i>Taiwan Central News Agency WWW</i> ]	61
Taiwan: Central American Foreign Ministers To Meet in Taipei [ <i>Taiwan Central News Agency WWW</i> ]	62
Taiwan: Lien Chan To Attend Dominican Presidential Inauguration [ <i>Taiwan Central News Agency WWW</i> ]	62

## HONG KONG & MACAO

### Hong Kong

Hong Kong: People Assisting PRC Dissidents Face Punishment [ <i>Hong Kong PING KUO JIH PAO 23 Jul</i> ]	64
Hong Kong: PRC Source: UK Handover Team Plan Shows Lack of Sincerity [ <i>Hong Kong HONGKONG STANDARD 23 Jul</i> ]	65
Hong Kong: UK Reported Seeking Homes in West for PRC Dissidents [ <i>Hong Kong SOUTH CHINA MORNING POST 23 Jul</i> ]	65
Hong Kong: Guangzhou to Explore New Ways of Cooperation With Hong Kong [ <i>XINHUA</i> ]	66
Hong Kong: Mainland Consular Regulations Likely To Apply to Hong Kong [ <i>Hong Kong MING PAO 22 Jul</i> ]	67
Hong Kong: CPC Official Cited on Post-1997 HK-Taiwan Ties [ <i>Hong Kong HSIN PAO 12 Jul</i> ]	68
Hong Kong: Canadian Minister Guarded on Granting Visa-Free Access [ <i>Hong Kong HONGKONG STANDARD 22 Jul</i> ]	69
Hong Kong: Fujian Secretary on Increasing Cooperation [ <i>XINHUA</i> ]	70

## General

### PRC: Spokesman: Qian To Urge Caution to U.S. on Taiwan

OW2307064896 Hong Kong AFP in English  
0640 GMT 23 Jul 96

[By Cecil Morella]

[FBIS Transcribed Text] Jakarta, July 23 (AFP) — Chinese Foreign Minister Qian Qichen is to urge US Secretary of State Warren Christopher at talks here that Washington exercise caution over the vexed [as received] issue of Taiwan, a Chinese foreign ministry spokesman said Tuesday.

Qian, attending a one-day regional forum on security and political issues here, was also making a renewed pitch for Beijing's membership in the World Trade Organization (WTO) and urged the West to abandon its campaign to isolate Burma.

China believes the three-year-old ASEAN Regional Forum, initiated by the Association of Southeast Asian Nations (ASEAN) and now involving 21 members including key regional powers China, the United States, and Japan, should avoid becoming a conflict-resolution body, spokesman Shen Guofang said.

"The Taiwan issue remains an important issue in (China-US) bilateral relations," he told reporters after Qian held bilateral talks with Japanese Foreign Minister Yukihiko Ikeda. He meets Christopher on Wednesday [24 July].

"The Chinese side will urge the US side to abide by the principles of bilateral relations on the issue of Taiwan," the Chinese spokesman said.

China hopes that Washington "will take an attitude that is serious, cautious."

China-US ties have deteriorated since Taiwan, which Beijing considers as a renegade province, held presidential elections this year.

China held missile-firing exercises in the Taiwan Strait, apparently to intimidate Taipei and prevent it from moving toward independence. This provoked a strong reply from the United States, which sent two US carrier groups steaming through the Strait.

Shen said Beijing disagreed with the West on Burma, which became a participant in the ARF for the first time this year after being admitted as an observer at the annual ASEAN ministerial meeting here last weekend.

Observer status is preparatory to full membership. ASEAN now groups Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam. Cambo-

dia and Laos have applied to become full members next year, and the 29-year-old grouping believes all 10 south-east Asian states will enter the fold before the end of the century.

"There is no reason whatsoever to exclude Burma from the ARF. The internal affairs of the country should not obstruct that country" from taking part in the ARF exchanges, Shen said, adding: "with the active participation of Burma ASEAN can go a long way."

He said Beijing believed ASEAN supported its attempt to join the WTO, and that his country shared ASEAN's view that "issues that are unrelated" to trade should not be included in its deliberations.

Some Western countries have called for linkages between trade and such issues as human rights and labor conditions, which Asian countries charge was an attempt to rob them of their competitive advantage.

Turning to territorial disputes in the region, many of them involving China and ASEAN states, Shen maintained: "We think there is no tension on the issue of the South China Sea."

He said "bilateral talks have achieved progress" on the issue of the Spratly islands, claimed in whole or in part by Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam.

The Chinese spokesman said his country believes ARF should remain as a forum for an "exchange of constructive views on different issues," while acknowledging differences with other members on the direction of the forum.

"It should not act as a negotiating body," he added.

### PRC: Spokesman on U.S. Revoking Colombian President's Visa

OW2307080196 Beijing XINHUA in English  
0748 GMT 23 Jul 96

[FBIS Transcribed Text] Beijing, July 23 (XINHUA) — "Like the Latin American countries, the Chinese Government feels uneasy about the decision made recently by the U.S. Government to revoke Colombian President Ernesto Samper Pizano's visa to enter the U.S.," Chinese Foreign Ministry Spokesman Cui Tiankai said here today.

The spokesman made the statement in response to a question on his comment on the U.S. decision.

"The Chinese Government has always held that the country-to-country relations should be based on such basic principles of international laws as mutual respect,

equality and mutual benefit and non-interference in each other's internal affairs," the spokesman said.

**PRC: Qian Qichen Proposes Defense Dialogue at ARF**

OW2307060596 Beijing XINHUA in English  
0604 GMT 23 Jul 96

[FBIS Transcribed Text] Jakarta, July 23 (XINHUA) — Chinese Foreign Minister Qian Qichen today proposed that the ASEAN Regional Forum (ARF) start dialogue on defense conversion and begin at an appropriate time discussion on matters relating to comprehensive security cooperation.

He made the proposal at the opening session of the third ARF meeting here this morning.

Commenting on the ARF role, he said that it plays an important role in enhancing mutual understanding, promoting mutual trust and maintaining regional peace and stability.

He said that the ARF has increasingly become a major channel for multilateral security dialogues and cooperation in the Asia Pacific region.

He pledged that China will take an active part in the forum's activities and continue to play its constructive role.

The ARF is a new attempt for security cooperation in the region and represents a new approach to security, Qian said.

He said that the forum will play an increasingly important role in maintaining regional peace and stability so long as it gives full consideration to the region's diversity, maintains its nature and rules of procedure and develops incrementally on the basis of shared interests and needs of its members in the spirit of consensus and seeking common ground while putting aside differences.

He said he appreciated that the forum has agreed to let China and the Philippines co-sponsor the meeting on Confidence-Building Measures in Beijing next year, which would be the first time for China to host an official multilateral conference on security issues.

He expressed confidence that with joint efforts and energetic cooperation of other members of the forum, the Beijing meeting will be a complete success.

On military cooperation, he said that he had made a number of proposals on such matters as notifying and inviting other ARF members to observe joint military exercises, reducing and eventually putting an end to military reconnaissance targeted at a certain member of the forum.

Qian said that these proposals have a practical significance for confidence-building in the region and he hoped that they would gradually become the consensus views of the forum members.

The Chinese foreign minister is among the 21 foreign ministers of ASEAN members, ASEAN dialogue partners and ASEAN observers attending the one-day meeting of the ARF.

The seven-member ASEAN has 10 dialogue partners — Australia, Canada, China, the European Union, Japan, India, New Zealand, Russia, South Korea and the United States — and four observer countries — Laos, Cambodia, Myanmar and Papua New Guinea.

**PRC: Qian Qichen Stresses Peaceful Economic Development at ARF**

OW2307065496 Beijing XINHUA in English  
0642 GMT 23 Jul 96

[FBIS Transcribed Text] Jakarta, July 23 (XINHUA) — The Asia Pacific region has already entered a period of lasting peace and development as a whole, despite a host of challenges and problems, Chinese Vice Premier and Foreign Minister Qian Qichen said at the third meeting of the ASEAN Regional Forum (ARF) here today.

He cited the following points as factors exerting long-term effect on the regional situation.

Firstly, the Asia Pacific region as a whole, East Asia in particular, is a scene of robust economic growth, where all the countries have taken economic development as their primary task.

Therefore, said Qian, it has become a greater common interest of these countries to maintain a peaceful environment that conduces [as received] economic growth.

Secondly, intra-regional economic links have been significantly strengthened and interaction and interdependence among states steadily enhanced, which laid a solid economic foundation for regional security, he said.

Thirdly, bloc confrontation and local conflicts of the Cold War style no longer exist in the region while co-ordination and cooperation among states have increasingly become the mainstream, Qian said.

Lastly, the old and new problems in this region have by and large been brought under control while dialogue and negotiation have become the main instrument in handling disputes between states, he said.

Qian called for increased mutual understanding and mutual trust through dialogue and consultation as well as stronger regional security and political security through



broader and deeper economic exchange and partnership, joint participation and close cooperation.

The one-day ARF meeting, which will end this evening, is being attended by foreign ministers from the seven ASEAN members, their 10 dialogue partners and four observer countries.

The dialogue partners are Australia, Canada, China, the European Union, India, Japan, New Zealand, Russia, South Korea, and the United States. The observer countries are Laos, Cambodia, Myanmar and Papua New Guinea.

**PRC: Qian Qichen Stresses Peaceful Settlement of Disputes at ARF**

OW2307065996 Beijing XINHUA in English  
0650 GMT 23 Jul 96

[FBIS Transcribed Text] Jakarta, July 23 (XINHUA) — China always stands for settlement of disputes concerning sovereignty and maritime rights and interests through peaceful negotiations with relevant countries, Chinese Foreign Minister Qian Qichen said at the third meeting of the ASEAN Regional Forum (ARF) here today.

On the issue of South China Sea, the Chinese government has announced the baselines of part of its territorial sea, thus creating a better condition for negotiations and consultations between China and the relevant countries, he said.

China stands for "shelving the disputes while going in for joint development" pending a solution, Qian said, noting that China has conducted consultations with the Philippines, Vietnam and Malaysia with constructive results.

The situation in the Nansha [Spratly] area is stable at present, he said.

The one-day ARF meeting is being attended by foreign ministers from the seven members countries of the Association of Southeast Asian Nations (ASEAN) and its 10 dialogue partners and four observer countries.

**PRC: Qian Qichen Reiterates Stance Supporting Ban on Nukes**

OW2307063596 Beijing XINHUA in English  
0634 GMT 23 Jul 96

[FBIS Transcribed Text] Jakarta, July 23 (XINHUA) — China has consistently stood for a complete prohibition and thorough destruction of all nuclear weapons, Chinese Foreign Minister Qian Qichen said at the third meeting of the ASEAN Regional Forum (ARF) here today.

To respond to the pleas of the many non-nuclear-weapon states and to push ahead the negotiations on the Comprehensive Test Ban Treaty (CTBT), the Chinese government has decided to exercise a moratorium on nuclear testing after September this year, he said.

He said China has solemnly promised not to be the first to use nuclear weapons at any time and under any circumstance.

China has unconditionally undertaken not to use or threaten to use nuclear weapons against non-nuclear-weapon states and nuclear free zones, he said.

These policies are in the best interests of the non-nuclear- weapon states and truly serve their security and that of the nuclear-free zones, Qian stressed.

The third ARF meeting is being attended by 21 foreign ministers from the seven member countries of the Association of Southeast Asian Nations (ASEAN) and its 10 dialogue partners and four observer countries.

**PRC: Qian Qichen Speaks at ARF on Promoting Regional Peace**

OW2307061796 Beijing XINHUA in English  
0614 GMT 23 Jul 96

[FBIS Transcribed Text] Jakarta, July 23 (XINHUA) — China will continue to work actively for regional peace and development and fulfill its responsibilities and obligations as a major power, Chinese Foreign Minister Qian Qichen said at the third meeting of the ASEAN Regional Forum (ARF) here today.

"China attaches great importance to the region's security environment and is deeply interested in and consistently committed to stepping up dialogue and cooperation with the other countries," he said at the opening session of the one-day meeting.

He added that his country also "attaches importance to enhancing mutual understanding and mutual trust with the other Asia-Pacific countries."

"A stronger Chinese economy poses no threat to any country. On the contrary, if China, a country of 1.2 billion people, should be bogged down in poverty and chaos, that would have an adverse effect on regional stability," he noted.

On regional security, Qian said that China had conducted extensive political dialogues and military exchange with many ARF members.

He said that China issued a white paper on the country's arms control and disarmament in November last year and signed an agreement with Russia, Kazakhstan,



Kyrgyzstan and Tajikistan in April this year on military confidence-building in the border areas.

He proposed that as a forum designed to increase mutual trust among its members, the ARF may as well encourage countries with common borders to adopt, on a bilateral basis, appropriate confidence-building measures.

The ARF meeting is being attended by foreign ministers of its 21 members — the seven ASEAN members, their 10 dialogue partners and four observer countries.

The Association of Southeast Asian Nations (ASEAN) groups Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam. Its dialogue partners are Australia, Canada, China, the European Union, Japan, India, New Zealand, Russia, South Korea and the United States while its observer countries are Cambodia, Laos, Myanmar [Burma] and Papua New Guinea.

#### **PRC: Spokesman Defends Territorial Claim to Parcel Islands**

*OW2307064596 Tokyo KYODO in English  
0640 GMT 23 Jul 96*

[FBIS Transcribed Text] Jakarta, July 23 KYODO — China on Tuesday defended its unilateral decision in May to declare the Parcel islands in the South China Sea as being within its territorial limits.

The action was taken "in accordance with international law and Chinese domestic law," Chinese Foreign Ministry spokesman Shen Guofang told a news conference.

Despite ratifying the U.N. Convention on the Law of the Sea, China drew boundaries around the disputed Paracels, eliciting concern from its neighbors and other claimants to the disputed territory, including Vietnam.

Shen noted that because China has both continental land and islands, the drawing of its borders is very complicated, but while "there are differences of views between Chinese experts and experts from outside, we hope that we can solve the differences through consultations."

Shen also said there are no international tensions concerning overlapping territorial claims in the South China Sea, and that bilateral talks with other claimants have "achieved progress."

He said China is willing to exchange views with relevant members of the Association of Southeast Asian Nations (ASEAN) on the Spratly islands, another group of reefs, shoals and atolls in the sea, but added the ASEAN Regional Forum (ARF) should not be used for negotiations.

Shen was accompanying Chinese Foreign Minister Qian Qichen, who joined other foreign ministers in the ARF's annual meeting on regional security issues Tuesday here.

The 21-member ARF consists of ASEAN's seven members — Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam — plus Australia, Cambodia, Canada, China, the European Union, India, Japan, Laos, Myanmar [Burma], New Zealand, Papua New Guinea, Russia, South Korea and the United States.

#### **PRC: Spokesman on South China Sea Issue**

*HK2307065796 Hong Kong WEN WEI PO in Chinese  
23 Jul 96 p A2*

[Dispatch by staff reporter Han Hua (7281 2901): "Shen Guofang Talks on South China Sea Issue; China Is Willing to Settle Dispute Peacefully"]

[PTS Translated Text for FBIS] Jakarta, 22 Jul (WEN WEI PO)— Chinese Foreign Ministry spokesman Shen Guofang said here today that China is willing to settle the dispute over the South China issue peacefully with the countries concerned. It is an internal Chinese affair to declare the baseline of its territorial seas and it is also a basic step taken to improve its marine law. This does not contradict the principles of settling the disputes based on the UN Convention on Law of the Sea and the international law. Conversely, it offers fine conditions for China to peacefully settle the disputes with the countries concerned.

Shen Guofang continued that China's coastline is rather tortuous and complicated. For this reason, China has defined the baseline of the territorial seas in light of its marine characteristics and based on the Convention on Law of the Sea. Despite studies conducted by relevant experts on the issue over a long period of time, he said, some countries have expressed different views on China's definition of the baseline of its territorial seas. China is willing to exchange views on the issue with the countries concerned based on the general principle of not affecting bilateral relations and to continue to settle the dispute peacefully. Shen Guofang disclosed that Qian Qichen, Chinese vice premier and foreign minister, will make a comprehensive exposition on China's stance on the South China Sea issue after the ASEAN Regional Forum which is to open tomorrow and which is to be followed by the Post-Ministerial Conference.

On the question of nuclear free South East Asia, Shen Guofang said, China supports the establishment of a nuclear free zone in South East Asia. However, a number of specific issues involving the nuclear free zone in South East Asia remain to be further discussed by the two parties.

The Europe Council adopted a resolution a few days ago on backing Taiwan's efforts to obtain greater representation in international organizations and the possibility of Taiwan participating in the activities of UN organizations. Chinese Foreign Ministry spokesman Shen Guofang expressed strong discontent at this and said that it constituted a "brazen interference in China's internal affairs."

### United States & Canada

**PRC: Column Says U.S. Losing Business by Confronting Beijing**

HK2307091396 *Beijing RENMIN RIBAO in Chinese*  
18 Jul 96 p 6

["International Jotting" column by Huang Qing (7806 2532): "Having Only Oneself to Blame"]

[PTS Translated Text for FBIS] The United States, which tends to impose sanctions against others at every turn, seems barely able to retain its composure lately and is beginning to blame everyone and everything but itself. Testifying before Congress not long ago, Assistant Secretary of State Lord complained that when the United States and China crossed swords, its European and Japanese friends not only refused to side with the United States but also took the opportunity to win trade contracts with China.

This is not the only incident in which U.S. friends refused to side with it. When the United States recently planned sanctions against foreign countries trading with Cuba, there was stiff opposition from Europe, Canada, and Mexico. The U.S. Congress is planning to pass legislation to punish French and German companies trading in oil with Iran. European Union Chairman Santer has said if European companies in the United States are victimized, reprisals will be taken against U.S. firms.

According to Lord, he has frankly told U.S. allies that the United States needs their help. Europe also responded as frankly. The chief economist of the German Dresdner Bank said: "Never ask Europeans for too much. We cannot act as the world's policeman." If the United States is dissatisfied with Europe's refusal to support the imposition of unilateral sanctions, he added, "then it should give up sanctions against other countries."

The United States is now in a fix. If it gives up halfway, it will be dissatisfied; if it has its own way, it will be left alone and give away business opportunities to others. So it began complaining, though it clearly knows that complaining can only vent its spite and does not help the situation.

It is a basic principle for doing business that both parties agree of their own free will. In trading with other countries, the United States has displayed too much egoism and hegemonism, threatens sanctions at every turn, and applies domestic laws to international trade. This will certainly kill its business opportunities. The United States has only itself to blame, and complaining will not help.

**PRC: U.S. Fear of Loss of Control Causes Hostility**

HK2307090796 *Beijing CHINA DAILY in English*  
23 Jul 96 p 4

[Unattributed report: "West Fears Loss of Dominance"]

[PTS Transcribed Text for FBIS] China, with a high economic growth rate in recent years, has taken many steps toward reform in relation to both its social and economic systems in both its internal and foreign policies.

But ironically, some of the United States' policy-makers seem to have become even more antagonistic toward China.

The root cause for their antagonism originates from the concern as to whether the West can maintain its superiority and control of the world, said an article in the latest issue of Strategy and Management magazine. Excerpts follow:

In the American mass media China's progress is seldom reported while bad things (or things considered bad by the American mass media) are widely reported and commented on with exaggeration and sometimes even distortions.

The mass media's interpretation of the motivation of China's internal and foreign policies is often absurd.

Under such circumstances, some American scholars with a more objective view of China often would rather keep their mouth shut.

In election campaigns, harsh words about China are considered a good way to win votes.

The root cause for some US politicians' hostility toward China originates from the concern as to whether the West (namely the United States) can maintain its superiority and control of the world.

The United States does not like any rich, strong and disobedient non-Western country. Apart from Japan, the West seems to have never had the experience of recognizing the rise of a non-Western power.

To a great extent, the concern over whether the West can maintain its superiority and control of the world is

irrational and leads to the misinterpretation of China's motives.

People who have become accustomed to the superiority of the West, which has lasted several hundred years, tend to use the differences in races, cultures and national strength as the yardsticks in distinguishing friend from foe.

### Yardsticks

To these people, the importance of these yardsticks is not inferior to the differences in the social systems.

Currently, the most important framework for Western countries (the United States in particular) to consider international politics is the West versus the non-West. The frequently-cited phrase of today is "the West versus the rest."

This can find its clear expression in issues concerning China, Russia, Islamic fundamentalism and "problems of global concern" like non-proliferation of weapons of mass destruction and even population and environment.

The framework brings many current and long-term obstacles to China's development.

One of the most important topics for the world in the 21st century is how the West can coordinate with China, which is developing quickly and might become a developed country in the next century.

America's China-policy is in fact prompting China to choose between two options.

First, be weak or divided, and lose national pride and self-respect. Second, concentrate on the building of national strength to cope with the mounting external pressure.

People like Henry Kissinger and George Bush know the danger a confrontation poses to the world's future. But the United States does not have many people with such correct vision. There are even fewer people in the United States who consider how the international community should co-ordinate with China out of a global perspective.

This is a big, new topic for both the West and China because in the past the West did not face the situation in which it long existed with a non-Western power in a co-ordinated way and because China in the past did not imagine what position an affluent China might have in the world.

### Northeast Asia

#### PRC: 'Article' Urges Watching Japan on Diaoyutai Dispute

OW2307054496 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1237 GMT 22 Jul 96

["Special Article" by ZTS reporter He Chong (6320 3095): "The Sovereignty of Diaoyutai Brooks No Encroachment"]

[FBIS Translated Text] The Chinese Foreign Ministry spokesman pointed out a few days ago that Diaoyutai has been China's indigenous territory since ancient times and that the building of a lighthouse by some Japanese right-wingers without authorization constitutes a serious encroachment on China's territorial sovereignty. He demanded that the Japanese Government take effective measures to remove the adverse effects arising from the action.

Analysts held that it is not accidental that the Japanese right-wing organization, the Japan Seinen-sha, suddenly went to Diaoyutai to build a lighthouse not long ago. In June 1996, the Japanese Diet adopted a bill recognizing the UN Law of the Seas and announced that Japan would have a "200-nautical-mile exclusive economic waters," and unilaterally included Diaoyutai, which belong to China, into its exclusive economic zone. On 20 July, the Japanese Diet officially approved putting the UN Ocean Law into effect. Before the Law of Seas came into effect, the Japanese right-wing organization rushed to Diaoyutai to build a lighthouse. The Japanese Foreign Ministry argued that the Senkaku Islands (that is, Diaoyutai) are at the forefront of Japan's territory. What a coincidence!

No matter what arrangements Japan made or how it quibbled, Diaoyutai is China's indigenous territory and this is a fact known to the whole world. That Diaoyutai is China's territory was already written in documents during the reign of Jiajing in the Ming Dynasty. By the time of the reign of Kanxi in the Qing Dynasty, Diaoyutai was officially included into China's territory and put under the jurisdiction of Taiwan Province. In the reign of Guangxu, Empress Dowager Cixi issued a decree to award Diaoyutai to an official, Sheng Xuanhuai; and the decree still exists. Diaoyutai fell into the hands of Japan for some time only because the Qing government was compelled to cede Taiwan and its islands to it following its defeat in the Sino-Japanese War from 1894-1895. After the World War II, the defeated Japanese returned Taiwan and its islands to China. At this time Diaoyutai should also have been returned. However, the cunning Japan presumptuously gave Diaoyutai to the United States. Later, in an



agreement to return Okinawa to Japan, the United States pretended to be muddleheaded and included Diaoyutai into the agreement on Okinawa, thus causing the dispute over Diaoyutai between China and Japan afterwards. Diaoyutai is China's indigenous territory, and China will never recognize any deal between the United States and Japan on the islands.

At the beginning of the 1970's, the return of Diaoyutai unilaterally by the United States to Japan triggered off strong condemnations in Hong Kong, Macao, Taiwan, and overseas China towns, and they were followed by the mammoth and prolonged "campaign to defend Diaoyutai." The Chinese Government made a strong statement declaring that China's sovereignty over Diaoyutai brooks no encroachment, which compelled Japan not to send troops to garrison on Diaoyutai. When China and Japan established diplomatic ties in 1992, the two countries had a secret agreement [mo qi 7817 1148] on "temporarily putting aside" the dispute over Diaoyutai. In the beginning of the 1980's, Chinese leaders suggested China and Japan jointly exploit the seabed resources of Diaoyutai, putting aside the dispute over the islands. The Japanese side disagreed and has not made any positive response since then.

At present, it is very clear Japan not only clings to its ambitious design over Diaoyutai Islands, but also has a bigger scheme. After announcing the establishment of a 200-nautical-mile exclusive economic zone, the newly designated "exclusive economic waters" extend over a vast area of 4.51 million square kilometers, an increase by a dozen of times. Japan then became a big ocean country ranking sixth in the world. In this zone, Japan can exploit resources on the continental shelf in addition to fishing.

China of course understands thoroughly this move of Japan and has taken corresponding countermeasures. As early as in 1992, the National People's Congress (NPC) of China promulgated the "Law on the Coastal and Contiguous Areas of the People's Republic of China" once more announcing that Taiwan and its islands (including Diaoyutai) are located within the coastal base lines of China. In May 1996, the NPC Standing Committee approved the UN Law of the Seas and announced the implementation of the 200-nautical-mile exclusive economic zone system by means of clear provisions of laws, thus enabling the area of territorial waters under China's jurisdiction to expand from 370,000 square kilometers to about 3 million square kilometers and enabling China to have sovereign rights of prospecting, exploiting, preserving, and managing the natural resources in the exclusive zone.

Originally, around the time China and Japan respectively announced the 200-nautical-mile exclusive economic waters, the two sides agreed to hold talks in August to discuss issues of demarcating the waters, fishing zones, and the continental shelves of the two countries and to discuss once more the issues of putting aside the dispute and jointly developing Diaoyutai. Unexpectedly, Japan was too impatient to wait and let right-wingers build a lighthouse on Diaoyutai, thus smashing the secret agreement and encroaching upon China's territorial sovereignty. This extremely unfriendly act of course is condemned by China. It is worthy paying attention to what Japan intends to do.

#### PRC: Vice President Rong Yiren Meets Japanese Guests

OW2207151796 Beijing XINHUA in English  
1259 GMT 22 Jul 96

[FBIS Transcribed Text] Beijing, July 22 (XINHUA) — Chinese Vice-President Rong Yiren said in Beijing today that the Chinese Government wishes to promote long-term friendship and cooperation with Japan.

In a meeting with a delegation from the Japan Association for the Promotion of International Trade, Rong said he hopes the association will play a more positive role in pushing forward the cooperation between Chinese and Japanese business circles, since economic cooperation is a significant step toward the growth of Sino-Japanese ties.

Rong extended a welcome to the Japanese delegation, which is here to study the investment environment of north China's Inner Mongolia Autonomous Region.

Rong told the visitors that Inner Mongolia has an established industrial foundation and rich resources. He expressed the hope that they will become acquainted with the situation there in order to facilitate their cooperation with China.

Rong noted that developing the economy of central and western China constitutes an important part of China's Ninth Five-Year Plan and its Long-Term Development Program for the Year 2010, adding that China will further promote the foreign economic and technological cooperation of those regions.

Rong pointed out that the Japan Association for the Promotion of International Trade has long been making contributions to the development of Sino-Japanese friendship and economic cooperation.

He said he was pleased to see that this association has sent quite a few delegations to the Chinese hinterland in recent years.



Setsuya Tabuchi, vice-chairman of the association and head of the delegation, said his association and the Japanese business circle wish to further develop cooperation with these regions, since they have a full understanding of the importance of the investment in China's remote areas.

Tabuchi said that his association sent delegations on tours of China's Sichuan, Hubei, Heilongjiang, and Yunnan provinces last year, and to Guangxi this year. Delegates will brief the Japanese business circle on the result of the tour to promote further understanding of China.

Tabuchi, who is also the advisor to Nomura Securities of Japan, believes that the investment of the Japanese business circle will continue to expand during China's Ninth Five-Year Plan period and in the next 15 years.

Guo Dongpo, Chairman of the China Council for the Promotion of International Trade (CCPIT) was present at the meeting.

The Japanese delegation was invited by the CCPIT and the People's Government of the Inner Mongolian Autonomous Region.

### Southeast Asia & Pacific

#### PRC: Qian Qichen, SRV's Nguyen Stress Bilateral Cooperation

OW2207172096 Beijing XINHUA in English  
1614 GMT 22 Jul 96

[FBIS Transcribed Text] Jakarta, July 22 (XINHUA) — Chinese Vice Premier and Foreign Minister Qian Qichen said today that friendly and cooperative relations between China and Vietnam (SRV) are developing in an extensive and intensive way.

During a meeting with his Vietnamese counterpart Nguyen here today, Qian said that high level exchanges between China and Vietnam since 1991 have enhanced and promoted good neighborly and cooperative relations between the two countries.

Qian said that there are territorial disputes on the borders between the two countries. However, the leaders between the two countries have reached consensus and understandings and signed agreements in this regard, he added.

Noting that the concerned negotiations have made much progress with joint efforts by the two governments, Qian believed that the disputes will be settled through equal and mutual consultations.

Nguyen said that the two governments are responsible for maintaining peace and stability on the common bor-

ders. He believed that if the two sides adopt a friendly and positive attitude, there will be more progress in dispute settlement.

Qian, who arrived here Sunday, will attend the Third ASEAN Regional Forum (ARF) on Tuesday and meetings between ASEAN and its Dialogue Partners on Wednesday and Thursday.

#### PRC: Commentary Hails Current Sino-Vietnamese Relations

HK2307062896 Beijing RENMIN RIBAO in Chinese  
28 Jun 96 p 6

[Commentary by staff reporter Sun Dongmin (1327 2639 3046): "New Developments in Sino-Vietnamese Relations"]

[PTS Translated Text for FBIS] Hanoi, 27 Jun (RENMIN RIBAO)—A CPC delegation headed by Comrade Li Peng, premier of the Chinese State Council, arrived in Hanoi today to attend the Eighth National Congress of the Vietnamese Communist Party at the invitation of the Vietnamese Communist Party Central Committee. The delegation was warmly welcomed and received by the Vietnamese Communist Party and the Vietnamese people. This is the first time in 36 years that our party has sent a high-ranking delegation to attend a national congress of the Vietnamese Communist Party, which represents a major diplomatic move of great significance and far-reaching impact and which shows that the CPC and the Chinese Government have attached great importance to promoting Sino-Vietnamese relations.

China and Vietnam are linked by common mountains and rivers, and they enjoy a long history of friendly exchanges. In modern times, both countries suffered the aggression and oppression of imperialists, and the communists of the two countries established mutual friendly relations as early as the 1920's. During the struggle for state independence and national liberation, the Chinese and Vietnamese Communist Parties and the two peoples went through thick and thin together, offered support for each other, and composed a new chapter of friendship. Despite the setbacks in Sino-Vietnamese relations during a past period, through the concerted efforts of the two parties and two governments, a historic meeting of "putting an end to the past and opening up the prospects of the future" was held between Chinese and Vietnamese leaders in November 1991, and relations between the two countries were finally normalized. Both history and reality have proved that the fundamental interests of the two parties, two countries, and two peoples lie in promoting friendly cooperative relations between the two parties and two countries. This not only contributes to the development of the two countries but also

has a great bearing on the peace, stability, and development of our region.

The normalization of the Sino-Vietnamese relations has led to a comprehensive recovery and development in the friendly cooperative relations between the two parties and two countries. This normalization has also opened up good prospects for friendship and cooperation between the two sides, and satisfactory results in this area have been realized. First of all, the top leaders of the two parties and two countries meet regularly every year: In 1992, Premier Li Peng paid a visit to Vietnam. In 1993, Vietnamese President Le Duc Anh paid a return visit to China, and General Secretary Jiang Zemin's visit to Vietnam in 1994 propelled Sino-Vietnamese relations into a new phase. In November 1995, Do Muoi, general secretary of the Vietnamese Communist Party Central Committee, paid an official goodwill visit to our country. In March this year, Premier Li Peng met Vietnamese Premier Vo Van Kiet in Bangkok. During Comrade Li Peng's presence at the Eighth National Congress of the Vietnamese Communist Party this time, the top-level leaders of the two countries met again. The frequent meetings between the top leadership of the two countries to exchange views on issues of common interests are playing an irreplaceable role in promoting relations between the two parties and two countries.

Today, both China and Vietnam are engaged, respectively, in reform and opening up and in opening up through innovation, each taking the road to prosperity under the social system it has chosen. At present, the two countries are concentrating their efforts on promoting their economy and are working hard to improve the living standards of their people. Both countries need a peaceful and stable international environment, and they share the hope that Sino-Vietnamese friendly neighborly relations can be consolidated and maintained. Recent years have witnessed frequent visits between the party, government, and mass bodies as well as provinces and cities of the two countries. Following the establishment of friendly ties between Beijing and Hanoi and between Shanghai and Ho Chi Minh City, more provinces of our country have undertaken exchanges with relevant provinces in Vietnam and have signed corresponding bilateral agreements and economic and trade cooperation treaties with their counterparts. The scope of such exchanges is being expanded on a constant basis, thus providing more opportunities for mutual understanding and communication. Similar national conditions, geographic advantages, and a fairly strong complementary economic situation create great potential for China and Vietnam to develop multifaceted economic and trade cooperation. The two sides have signed agreements on more than 20 bilateral cooperation projects,

ranging from trade, economic cooperation, science and technology, air and sea transportation, and railways to postal and telecommunications services. Since 1991, the total volume of bilateral trade has been growing at a record-breaking pace. In 1995, Sino-Vietnamese trade volume totalled \$550 million, nearly doubling that of the previous year; and during the first quarter of this year, total trade volume had already reached \$302 million. In addition, considerable headway has been made in border trade between the two countries, six pairs of national-level border crossing points have opened, more and more Chinese enterprises have invested in Vietnam, and gratifying progress has been made in cooperation on contracted labor services. All these point to the bright future of trade and economic cooperation between China and Vietnam. The formal reopening of the Sino-Vietnamese Railway in February this year has great symbolic significance. Just as Vietnamese Premier Vo Van Kiet put it, the reopening of the railroad marked "the completion of the normalization process of Vietnamese-Chinese relations; it opens up new and bright prospects for our efforts to further promote a multifaceted exchange between the two countries, bring about bilateral economic and trade development, increase contacts between the two peoples, and boost the two countries' trade with other nations."

Vietnam has achieved world-renown accomplishments in its opening up through innovation over the past decade. The upcoming Eighth National Congress of the Vietnamese Communist Party is a grand meeting called by the Vietnamese Communist Party under the new situation that links the past with the future. The Eighth National Congress of the Vietnamese Communist Party will comprehensively sum up the country's experience in its decade-long cause of innovation and will establish long-range development goals that extend to the next century. Stable Sino-Vietnamese relations and good-neighbor friendship and cooperation will prove beneficial to both China and Vietnam and will also play an important part in maintaining peace and stability in both southeast Asia and the world. The deep friendship between our two parties and two countries was jointly and painstakingly cultivated by Mao Zedong, Ho Chi Minh, and other revolutionaries of the older generation. The presence of the CPC delegation headed by Comrade Li Peng at the Eighth National Congress of the Vietnamese Communist Party will give a great impetus to further promoting friendly cooperative relations between the two parties, two countries, and two peoples. We firmly believe that relations between our two parties, which are based on the principle of independence, total equality, mutual respect, and non-interference in each other's internal affairs, undoubtedly will be further en-



hanced, while relations between our two countries will surely enjoy unhindered development.

**PRC: Sino-Vietnamese Banks To Cooperate in Border Trade**

*OW2207144096 Beijing XINHUA in English  
1323 GMT 22 Jul 96*

[FBIS Transcribed Text] Beijing, July 22 (XINHUA) — The Agricultural Bank of China today signed agreements on cooperation in bilateral border trade with its Vietnamese counterpart, the Vietnam Bank for Agriculture.

This is the first time the banks have cooperated with each other, and is an outgrowth of the rapid bilateral border trade between the two countries in recent years.

Chinese banking officials said that the border trade value between the two countries hit 2.6 billion yuan last year. However, businessmen from both countries could only deal through cash settlements or barter, because the two banks had no existing agreements on cooperation.

The agreements signed today will pave the way for the two banks to engage in extensive cooperation in foreign trade settlement. And the banks will soon initiate exchanges of credit, loans and personnel.

**PRC: Beijing, Bangkok Pledge To Strengthen Cooperation**

*OW2207171496 Beijing XINHUA in English  
1614 GMT 22 Jul 96*

[FBIS Transcribed Text] Jakarta, July 22 (XINHUA) — China and Thailand have pledged to strengthen their bilateral economic and trade cooperation on the basis of equal consultation and mutual benefits.

During his meeting with his Thai counterpart Amnuay Vivawan here today, Chinese Vice Premier and Foreign Minister Qian Qichen said China has always supported sub-regional economic cooperation in the Mekong region and hoped such cooperation will not only promote the prosperity and development in Southeast Asian countries but also benefit the southwestern province of China.

Thai Foreign Minister Amnuay Vivawan said Thailand and China have conducted closer cooperation in the fields of trade and investment since the Thai prime minister's visit to China in March this year.

Thailand and China have become major trade partners, he said, adding that the Thai side hoped the two governments would continue their efforts to further expand bilateral economic and trade cooperation.

Qian thanked Thailand for supporting China's upgrade from ASEAN's consultative partner to the grouping's full dialogue partner.

Amnuay said, "We welcome and believe that China will play a greater role in the regional affairs in promoting and safeguarding peace and stability in the region."

Qian, who arrived here on Sunday after a week-long visit to three South Pacific countries, will attend the third ASEAN Regional Forum on Tuesday and the Post Ministerial Conference on Wednesday and Thursday.

**PRC: Vice Premier Li Lanqing Meets Bangladesh Foreign Secretary**

*OW2207135596 Beijing XINHUA in English  
1303 GMT 22 Jul 96*

[FBIS Transcribed Text] Beijing, July 22 (XINHUA) — Chinese Vice-Premier Li Lanqing today called for the establishment of a long-term and stable Sino-Bangladesh relationship to benefit both countries and their regional peace, stability and development.

Li made the remarks during a meeting with Bangladesh Foreign Secretary Farooq Sobhan in Zhongnanhai, the site of the Central Government.

China and Bangladesh have had traditionally friendly relations and they have had good cooperation in political, economic and all other fields, Li said. As both are developing countries, the strengthening of cooperation among developing countries and the formation of "long-term and stable relations between the two countries would benefit not only China and Bangladesh, but also be conducive to the regional peace, stability and development," he added.

Li stressed that while developing bilateral relations, the two countries should reinforce their economic, trade and technological ties.

Sobhan conveyed regards from Bangladesh President Abdur Rahman Biswas and Prime Minister Sheikh Hasina to Chinese President Jiang

Zemin and Premier Li Peng. Li Lanqing asked the secretary to convey President Jiang Zemin and Premier Li Peng's regards to the Bangladesh President and Prime Minister.

Sobhan said Bangladesh and China have cooperated well with each other in the past. He added that economic links between the two countries should be strengthened, especially the forging of direct links between enterprises.

Bangladesh attaches much importance to China's experience with its economic growth process, and the development of rural industry in particular, he said.

Sobhan arrived in the Chinese capital last Saturday to conduct a yearly consultation with Chinese Foreign Ministry. During his talks with Chinese Vice-Foreign Minister Tang Jiaxuan, they exchanged views on bilateral relations and regional and international issues of mutual concern, and the two officials shared views on many major issues. Liu Huaqiu, Director of the Foreign Affairs Office of the State Council, also met with Sobhan.

Sobhan's visit marks the first senior official of Bangladesh to China since the new Bangladesh government formed last month.

Sobhan is the former Bangladesh ambassador to China.

### Near East & South Asia

#### PRC: Qian Qichen, India's Gujral Pledge To Increase Cooperation

OW2207170796 Beijing XINHUA in English  
1644 GMT 22 Jul 96

[FBIS Transcribed Text] Jakarta, July 22 (XINHUA) — Chinese Foreign Minister Qian Qichen and his Indian counterpart I. K. Gujral today agreed that the two countries should strengthen cooperation in maintaining peace and stability in the region.

During his meeting with Gujral here, Qian said though there has been changes of governments in India in recent years, the Sino- Indian relations have developed steadily as the bilateral cooperation in various fields has expanded.

The bilateral trade between the two countries in 1995 recorded 1.1 billion US dollars and is expected to increase this year, said Qian, who is also Chinese Vice Premier.

On the border negotiations between the two countries, Qian said there has been progress in this connection. He hoped that the 9th round of talks on the border issues between the two sides to be held in Beijing this year would bring about more positive results.

Gujral said both countries should make greater efforts and take actions for making greater progress in negotiations on the border issues.

He also said the present Indian Government will continue to observe a policy of developing friendly relations with China.

The two ministers are attending the Third ASEAN Regional Forum (ARF) and meetings between ASEAN

and its Dialogue Partners. China and India just became ASEAN's Dialogue Partners last week.

#### PRC: Bangladesh Leader Tells Envoy of 'One China Policy'

OW2207143996 Beijing XINHUA in English  
1356 GMT 22 Jul 96

[FBIS Transcribed Text] Dhaka, July 22 (XINHUA) — Bangladeshi Prime Minister Sheikh Hasina today told Chinese ambassador to Bangladesh Zhang Xujiang that her government sticks to "One China Policy" and treats Taiwan as a part of China.

The Bangladeshi government will give top priority to its relations with China and maintain such ties on the basis of "One China Policy," Hasina said when meeting with the Chinese ambassador.

She recalled her visit to China in November 1993 as the then opposition leader at the invitation of the Central Committee of the Chinese Communist Party.

The prime minister also expressed her satisfaction at China's keen interest in Bangladesh's economic development, especially in the infrastructure sector.

Noting there is room for the two countries to expand cooperation in economic and trade fields, she expressed her hope that China will increase its imports from Bangladesh to narrow the trade gap between the two countries.

Zhang conveyed thanks of Chinese Premier Li Peng to Hasina for her message and sympathy to the flood victims in China and extended the Chinese government's invitation to Hasina to visit China.

While Looking forward to the visit, the Bangladeshi leader also extended her invitation to Chinese President Jiang Zemin and Premier Li Peng to visit Bangladesh.

#### PRC: Egyptian Ambassador Urges Better Economic Cooperation

HK2307090096 Beijing CHINA DAILY in English  
22 Jul 96 p 4

[By Qiao Qiao: "China's Ties With Egypt On Way Up"]

[PTS Transcribed Text for FBIS] Enjoying excellent political relations, China and Egypt should take measures to further improve their economic co-operation, which to date has not grown as expected, Samir Borhan, Egyptian ambassador to China, told China Daily.

The volume of trade — import and export — between the two nations in recent years hovers around \$460 million.



"This field needs much attention from State enterprises, business people and entrepreneurs to double or treble that figure," the Egyptian ambassador stressed.

Egypt and China are celebrating the 40th anniversary of the establishment of diplomatic relations between the two countries. In 1956, Egypt broke its diplomatic relations with Taiwan and opened its first diplomatic mission in Beijing, which was "a step in the right direction and paved the way for all Arab and African countries to follow suit," according to Samir Borhan.

Since then the relations between the two countries continued to improve. There were exchanges of political support, official visits on all levels, co-operation in international forums, and frequent and fruitful exchanges in culture, education and other fields.

"It is noteworthy that Egypt and the People's Republic of China are the two oldest civilizations on earth and the communication between the two goes back into history and flourished specifically in the Middle Ages along the Silk Road, which carried Chinese products and commodities to the Middle East and Europe across Egypt," the ambassador said.

"There are many similarities between the two countries as they are both developing countries, were subjected in the past to Western interference and succeeded to surmount their difficulties and to champion the issue of the Third World."

To further improve economic co-operation between the two countries, Egyptian President Hosni Mubarak in his last visit to China in 1994 suggested to the Chinese leadership that a free zone might be opened in an Egyptian port to serve as a launching pad for Chinese exports to markets in the Middle East, Africa and Europe.

Such a project, according to Borhan, will enhance the Chinese exports to these flourishing markets, and will also benefit Egypt, as new jobs and services will be created there.

Timetables are being developed, and the ministries of international co-operation in the two countries are working to bring about this project in the near future, said the ambassador.

"Sincere efforts from both sides have been displayed to create common objectives and to maximize the mutual and bilateral trade between them."

#### **PKC: Nepal Telecom Workers' Union Calls Off Strike**

*OW2107153396 Beijing XINHUA in English  
1513 GMT 21 Jul 96*

[FBIS Transcribed Text] Kathmandu, July 21 (XINHUA) — A workers' union of the state-run Nepal Telecom Corporation (NTC) today called off a major strike in protest of the government's policy to privatize the country's telecom industry.

The NTC Employees' Association today issued a statement calling upon all NTC workers to resume their work after the over two-week-long nationwide strike had caused inconvenience to telecom customers in the country.

As the government has agreed to fulfill its demand for providing autonomy to the NTC, the union decided to end its protest campaign, the statement said.

The Ministry of Information and Communications last week justified its privatization policy but promised to give full autonomy to the NTC within three years. The NTC monopolizes the country's telecom services at present.

The NTC workers' strike was triggered two weeks ago by the Ministry's earlier decision to allow private companies to open new telecommunication services like radio paging and mobile phone in the country.

The government has so far granted permissions to nine companies, mostly supported by foreign investment, to begin to operate such modern telecommunication services in Nepal, officials said.

#### **Sub-Saharan Africa**

#### **PRC: XINHUA Reports Envoy's Meeting With Angolan Prime Minister**

*OW2207234496 Beijing XINHUA in English  
1800 GMT 22 Jul 96*

[FBIS Transcribed Text] Luanda, July 22 (XINHUA) — Angolan Prime Minister Franca Vam-Dunem [name as received] told the Chinese envoy here today that his country is willing to strengthen cooperation with China.

During his meeting with Chinese Ambassador to Angola Xiao Sijin, the prime minister praised China for its support at the difficult times of the southern African country.

He reiterated that his government would continue to follow one China policy.

The prime minister also urged China to play a greater role in helping Angola with its rehabilitation program.

Angola is in urgent need of China's experience in its reforms, which have brought great economic success to China, the prime minister said.

The Chinese envoy congratulated Franca Vam-Dunem on his recent appointment to the post of prime minister, saying China is, too, looking forward to promoting bilateral ties.

**PRC: Official Meets Mozambican Prime Minister**  
*OW2207123296 Beijing XINHUA Domestic Service in Chinese 0125 GMT 20 Jul 96*

[By reporter Li Fuxiang (2621 4395 4382)]

[FBIS Translated Text] Maputo, 19 Jul (Xinhua) — Mozambican Prime Minister Mocunbi said today: There are broad prospects for economic cooperation between Mozambique and China. Mozambican-Chinese relations will develop further.

During his meeting with visiting Chinese Assistant Minister of Foreign Affairs Ji Peiding [0679 0160 1353], Mocunbi said: Mozambique has been making unremitting efforts to revitalize and reconstruct its economy since attaining peace in 1992. He welcomes

China to invest and start undertakings in Mozambique. He said: Mozambique and China have established a traditional friendship and there are very broad prospects for bilateral cooperation.

Ji Peiding said at the meeting: China and Mozambique are two friendly countries. In recent years, friendly exchanges and visits between Sino-Mozambican peoples and senior government officials have increased. The fields for bilateral cooperation have gradually expanded.

He also said: After working hard for a long time, the Mozambican Government and people have finally attained peace and stability. They have created favorable conditions conducive to Mozambique's progress. China is truly happy for Mozambique in this regard.

Chinese Ambassador to Mozambique Mi Shiheng was present at the meeting.

Earlier, Ji Peiding held talks with Mozambican Vice Minister of Foreign Affairs Luodeligesi (transliterated as printed).

Ji Peiding arrived in Maputo on 18 July and will leave for Eritrea on 21 July.

**Political & Social****PRC: Rotation System for Leading Government Officials Introduced***HK2307085996 Beijing CHINA DAILY in English  
23 Jul 96 p 1***[By Cao Min: "Rotation of Officials Planned"]**

**[PTS Transcribed Text for FBIS]** In another move to improve the country's newly established civil service structure, the government is formally introducing a system of rotating leading government officials, it was announced yesterday.

The new system is designed to increase efficiency and to help build an honest and clean government.

All civil servants will be moved to other posts after serving in one position for five years.

But the new system is particularly intended for leading officials from divisional chief up to ministers and provincial governors, according to the Ministry of Personnel.

Generally speaking, the departmental director or divisional chief in a ministry or provincial government will be reassigned to another department or division within the original ministry or local government — after having served for five years.

Announcing the system at a national teleconference yesterday, Personnel Minister Song Defu said the new rotation system is a key move in upgrading the quality of civil servants.

The personnel departments at all levels are to integrate the rotation system with training and building a reserve force for high-ranking officials, Song said.

"This year, it is an important task for us to fully implement the rotation system among civil servants," Song said.

The formalization of the civil-service rotation system was based on a pilot programme launched in the country's 30 provinces, municipalities and autonomous regions, since the Provisional Regulations on Civil Servants took effect in August 1994, officials said.

During this period, nearly one-third of leading officials in these areas who were below the level of division chief have been rotated.

Beijing, Sichuan, Jiangxi, Heilongjiang, Jilin and Guizhou have taken the lead by rotating some 45 per cent of their civil servants.

Over the past two years, the central government and local governments have also reappointed new officials through open examinations and merit appraisals.

The pilot programme was hailed as a success in improving efficiency and the political and professional quality of civil servants.

To root out corruption and nepotism, the Ministry of Personnel has also issued a regulation this year stipulating that civil servants are not allowed to work in the same office as their spouses, next of kin or other relatives.

It forbids civil servants from holding supervisory, personnel or financial positions in any government organization where a relative has a high-level position.

**PRC: Commentary Urges Further Enforcement of 'Labor Law'***HK2307030596 Beijing RENMIN RIBAO in Chinese  
5 Jul 96 p 3***[Commentator's article: "Further Enforce 'Labor Law'"]**

**[PTS Translated Text for FBIS]** Today marks the second anniversary of the promulgation of the "Labor Law of the People's Republic of China."

Over the last two years, the broad masses of cadres, workers, and enterprise operators have, through studying the "Labor Law" in a thorough-going way, enhanced their sense of the need and ability, to safeguard their own legitimate rights and interests and to manage, according to law. All levels of governments have energetically put the "Labor Law" into effect and made painstaking efforts to guarantee legitimate rights and interests of both workers and enterprises. Most enterprises have formulated or amended their rules and regulations to ensure the workers' basic rights and interests. The system of labor contracts, the system of minimum wage, and the system of labor supervision have basically been in place, and the key regulations on working hours, minimum wage, and special protection for women workers and workers under age have been basically enforced. On the whole, the "Labor Law" has played a positive role in ensuring the workers' basic rights and interests, enabling labor-related relations to move toward harmony and stability, and arousing workers' enthusiasm for work, thus promoting economic and social development.

Despite the achievements we have scored in enforcing the "Labor Law," we should be aware that it takes time and calls for a large amount of hard work to enforce the law satisfactorily.

The National People's Congress Standing Committee has recently adopted a resolution on the "third five-year plan" for making legal knowledge common among citizens nationwide, defining the "Labor Law" as the key one to be studied and grasped. All regions and



departments must conscientiously summarize successful experience created in carrying out the "second five-year plan" for enhancing the people's awareness of law and in popularizing and studying the "Labor Law" to deepen the campaign to study, popularize, and enforce the "Labor Law" in various ways, step by step, and with stress being placed on key points.

It is necessary to integrate the enforcement of the "Labor Law" with the overall interests, namely "reform, development, and stability" and to enforce the law in the political interest. In enforcing the "Labor Law," we must whole-heartedly rely upon the working class, bring into full play their role as the main force, enhance the awareness of the broad masses of workers and staff of the need to enforce the "Labor Law," and teach the workers to consciously apply the law to protect their dignity, rights, and interests. We must also integrate the campaign to enforce the "Labor Law" with deepening enterprise reform and introducing the modern enterprise system in an organic way; guide, stimulate, and ensure enterprise reform through enforcing the "Labor Law" so that the enterprise reform will proceed trouble free. In enforcing the "Labor Law," we must, uphold the principle of seeking truth from facts, take effective measures to fulfill the task in light of the actual conditions.

Establishing and improving the labor contract system is pivotal to enforcing the "Labor Law." If we do a good job in introducing the system, we will have a reliable guarantee for comprehensively enforcing the "Labor Law." The employing units which have introduced the labor contract system, should further examine how the system has been put into effect and continue to improve the system; while those which have not should introduce the system within this year as required.

To enforce the "Labor Law," it is necessary to strengthen supervision and examination. Supportive rules, regulations, and policies should be formulated to solve problems found in the process of enforcing the "Labor Law." Violations of the "Labor Law" must be seriously prosecuted, and the legitimate rights and interests of employing units and workers should be guaranteed by enforcing the "Labor Law" and other legal means.

We are convinced that the enforcement of the "Labor Law" will certainly play a positive role in promoting the setting up of a socialist market economy, economic development, and social stability.

**PRC: Wen Jiabao Inspects Ningxia's Xihaigu Area 12-17 Jul**

OW2207122496 Beijing XINHUA Domestic Service  
in Chinese 0938 GMT 17 Jul 96

[By XINHUA reporter Gao Ningsheng (7559 1337 3932) and NINGXIA RIBAO reporter Wang Wei (3769 5588)]

[FBIS Translated Excerpt] Yinchuan, 17 Jul (XINHUA) — During his recent inspection tour of Ningxia's Xihaigu area, Wen Jiabao, alternate member of the CPC Central Committee Political Bureau and member of the CPC Central Committee Secretariat, stressed: The most important thing in helping the poor and working for development in impoverished areas is to develop agricultural production, improve agricultural production conditions, develop agricultural productive forces, and ensure that the masses are properly clothed and fed. This is the foundation for eliminating impoverishment and enabling the poor to become better off.

From 12 to 17 July, in the company of Huang Huang, secretary of the Ningxia Hui Autonomous Regional CPC Committee, and Zhou Shengxian, vice chairman of the autonomous region, Wen Jiabao went deep to impoverished mountain areas in Tongxin, Guyuan, Xiji, and Haiyuan counties, to visit local people of various nationalities and to learn about the progress in local help-the-poor and development work.

Xihaigu area is one of the most impoverished areas in the country. Since 1991, the area has been hit by drought for five consecutive years, causing great difficulties to local people's livelihood. Because of the strong leadership of local party committees and governments at various levels, and because effective anti-drought measures have been taken and self-help production projects have been initiated, local peasants' livelihood and production work have been properly arranged and the situation has been stable despite consecutive disasters. Wen Jiabao fully affirmed Ningxia's achievements in helping the poor and in developing.

Wen Jiabao said: To help the poor and develop, there are many things to do, of which the primary one is to develop agricultural production. We should improve the agricultural production conditions, enhance our ability to resist natural disasters, and ensure that grain production increases steadily. We should develop a diversified economy, invigorate commodity circulation in rural areas, provide opportunities for the masses to get better off, and ensure that peasants' incomes increase steadily, in order to steadily ensure that the masses of peasants in the impoverished areas will have enough to eat and wear. This is the primary way to help the poor,

as well as a realistic way to enable the masses to become better off. [passage omitted]

Wen Jiabao pointed out: Work to help the poor is an important task of the party and government, as well as a common responsibility of our society. We should earnestly implement the state's "National Fortifications-Storming Plan for Supporting 80 Million Impoverished People Over the Next Seven Years," extensively mobilize the public to show concern for and support help-the-poor and development projects, step up efforts to help the poor, and enable the poor to quicken the pace of freeing themselves from poverty. The large numbers of cadres and masses in impoverished areas should promote self-reliance spirit and the spirit of working diligently to start new undertakings. They should firm up confidence, strive for new progress, be committed to freeing themselves from poverty, and use their own hands to change the situation.

**PRC: Yang Shangkun Inspects Jilin Province 28 Jun-6 Jul**

SK2307050696 *Changchun JILIN RIBAO in Chinese*  
9 Jul 96 p 1

[By reporter Yuan Huanzhang (5913 3562 4545)]

[FBIS Translated Text] Comrade Yang Shangkun inspected Jilin Province from 28 June to 6 July.

On 30 June and 1 July, accompanied by several responsible comrades of Changchun city, including Mayor Song Chunhua, Comrade Yang Shangkun successively inspected the Changchun Film Center and the Changchun No. 1 Vehicle Group Company. In the Changchun Film Center, Comrade Yang Shangkun visited the historical materials exhibition hall and the science and technology exhibition hall. In the Changchun No. 1 Vehicle Group Company, he inspected the truck assembly line and the Audi Sedan Car production line to understand this company's production and management situation. In the No. 1 vehicle group company, Comrade Yang Shangkun cordially talked with the cadres and workers; praised them for their key contributions to developing China's vehicle industry; and encouraged them to actively introduce and assimilate advanced technologies, to continue to deepen the enterprise reform, to set up a modern enterprise system, and to strive to enliven state-owned large enterprises.

On the afternoon of 3 July, accompanied by principal responsible comrades of the Tonghua city party committee and government, Comrade Yang Shangkun visited the cemetery of General Yang Jingyu.

On 4 July, accompanied by Su Rong, standing committee member of the provincial party committee and secretary of the Yanbian Korean Nationality Autonomous Prefecture, Comrade Yang Shangkun inspected the Changbaishan Natural Protected Area and the Changbaishan Natural Museum.

Zhang Dejiang, secretary of the provincial party committee; Wang Yunkun, deputy secretary of the provincial party committee and governor of the provincial government; Zhang Yueqi, deputy secretary of the provincial party committee; and Yin Chengjie, standing committee member and secretary general of the provincial party committee, called on Comrade Yang Shangkun at the places he stayed in Jilin. During his entire inspections in Jilin, Comrade Yang Shangkun was accompanied by Wang Guofa, vice governor of the provincial government. Together with Yin Chengjie, standing committee member and secretary general of the provincial party committee; and Li Jieche, secretary general of the provincial government. Vice Governor Wang Guofa welcomed Comrade Yang Shangkun when he arrived in Changchun and also saw him off when he departed.

**PRC: CPC Strengthens Control Over Publication**

HK2307031896 *Hong Kong SING TAO JIH PAO in Chinese* 7 Jul 96 p A4

[Report by special correspondent Chen Chiu (7115 1432): "Two Publishing Houses Closed Down for 'Selling Book Numbers' for Profit"]

[PTS Translated Excerpt for FBIS] Since the CPC Propaganda Department and the State Press and Publication Administration ordered to straighten out the secondary wholesale market for books, the Chengdu Publication House and the Shanxi College-University United Publication House have recently been closed down for "selling book numbers [shu hao 2579 5714]." It is learned that the government is examining the press and publishing houses to "hold decentralization and excessiveness in check."

In another development, the "Setting Sun" published by the People's Liberation Army National Defense University Publication House was banned for overestimating the Kuomintang troops' role in the War of Resistance Against Japan, and the publication house was rapped. (passages omitted)

There are 2,000 newspapers and 8,000 periodicals, which are openly published, and 560 publication houses in China. The central meeting on propaganda held early this year believed that the press and the publishing industry is being plagued by "decentralization" and "excessiveness," the former meaning "out of control"



while the latter "too many in number," and then decided to shake up the press and the publishing industry, allowing "no increase in the number of newspapers and publication houses," meaning no establishment of new newspapers and publishing houses is allowed this year. However, by the end of this year, scores of new newspapers and publication houses which have obtained the blessing will go into operation in turn.

**PRC: Beijing Police Release Christians Held for Two Months**

*HK2207052696 Hong Kong SOUTH CHINA MORNING POST in English 22 Jul 96 p 8*

[By Daniel Kwan]

[PTS Transcribed Text for FBIS] Beijing police have released two Christians after holding them in custody for about two months, sources say.

Bob Fu Xiqu and his wife, Heidi Cai Bochun were released on July 8 after being held by police for their involvement in a Christian training centre near Beijing.

One source said the couple were apparently treated well while in custody.

After their release, police informed Mr Fu's workplace, the Communist Party School, that he could continue his teaching job and the two could keep their living quarters there.

In addition, they have not been pressed into paying fines.

While they were being held at a detention centre in Fengtai district, Beijing police had searched at least two churches in the city but found no concrete evidence against them. One source who visited the couple after their release said they appeared to be in good health and had not suffered any beatings.

Another source said they might return to their native Shandong.

It was understood police warned the couple not to engage in contact with foreigners after their release.

Christians in Beijing, who initially thought the authorities would punish the couple as a warning to other believers, expressed surprise at their release.

One source cautioned that the release did not mean the authorities had relaxed control over Christians as there were reports of a crackdown in provinces like Henan, Anhui and Guangdong.

Meanwhile, it is believed authorities have sent another Christian, Xiao Biguang, to the Jiangxi No 1 Labour Re-education Farm in Nanchang for three years.

Although the authorities have not yet confirmed it, Xiao was sentenced to three years' "labour re-education".

Unlike other activists, there was no specified crime in Xiao's dossier despite his sentencing.

According to one source, Xiao is presently being treated at Yongqiao hospital for a high temperature and heart disease.

Under China's regulations, the family is not permitted to visit Xiao at the labour farm every month. He was denied family visits when he was held in a facility in Beijing.

As Xiao was taken away by the authorities in April 1994, he could be eligible for release next year.

**PRC: Armed Police Force To Strengthen Management and Education**

*OW2107140096 Beijing XINHUA Domestic Service in Chinese 0905 GMT 19 Jul 96*

[By reporter Tan Daobo (6223 6670 0590)]

[FBIS Translated Text] It was learned from the enlarged meeting of the party committee of the Chinese People's Armed Police Force, which ended today [19 July], that the armed police force will pay attention to building contingents of cadres of high quality and effectively strengthening the management and education for senior and middle level cadres in order to further raise the overall quality of the armed police.

Since the beginning of the year, the party committee of the armed police force has followed the plans of the Central Military Commission and the General Political Department on strengthening the development of senior and middle level cadres of the armed police force through concentrated education and has made efforts to improve. From the later part of May to the end of June, members of the party committee of the armed police force formed four work teams to investigate the situation of the developing leading bodies, especially party committees at and above the detachment level. Through investigation, those teams have obtained first hand materials on the problems which need to be solved in the development of party committees and organizations at various levels, and in improving the quality of senior and middle level cadres. Arrangements were made to conduct education on basic theory, revolutionary outlook of life, fine tradition, party and government discipline, and the rules and regulations for cadres at senior and middle levels. Efforts were made to strengthen the cadres' political integrity, ideological, and moral purity through an in-depth education on various subjects.



In light of the actual problems of developing cadres, the enlarged meeting of the Armed Police Force's Party Committee adopted a decision to implement the "five systems [wu xiang zhi du 0063 7309 0455 1653]" to further strengthen the management and supervision of cadres at senior and middle levels. Firstly, leading cadres should adapt themselves to the regular activities of party committees and party branches, and accept supervision from higher levels, the same level, and the masses of party members. Secondly, it is necessary to strictly implement the system of having cadres make reports on their work and evaluate their work. Thirdly, it is necessary to seriously implement the system of having dialogues between the higher and lower levels and of commenting on the work of lower level units. Fourth, it is necessary to strictly implement the system of having the operational departments [ye wu bu men 2814 0523 6752 7024] supervising senior and middle level cadres. Fifth, it is necessary to select and promote senior and middle level cadres in a regular manner and actively create conditions for implementing the system of exchange of cadres between provinces and regions.

Based on the actual situation of the People's Armed Police Force, the enlarged meeting of the party committee asked the secretaries and deputy secretaries of party committees at various levels to take responsibility for effectively improving the management of senior and middle level cadres. Meanwhile, it is necessary to follow the guidelines of related documents of the Central Military Commission on improving the quality of cadres and attach importance to developing cadres at the regimental and lower levels. It is necessary to build the armed police force into strong and civilized units and further raise the overall quality of the cadres of the armed police force, especially the cadres at senior and middle levels.

**PRC: AFP Reports Wife's Comments on Dissident's Poor Health**

OW2307052496 Hong Kong AFP in English  
0520 GMT 23 Jul 96

[FBIS Transcribed Text] Beijing, July 23 (AFP) — Veteran labor activist Liu Nianchun has become so weak and ill after three weeks in a Chinese labor camp that his wife on Tuesday said she was unable to recognise him.

"He has lost a lot of weight and has blood in his stools. He is so weak," said Chu Hailan, who was allowed to stay with her husband from July 16 to 18 at Shuanghe labor camp in the northeastern province of Heilongjiang.

In early 1995, Liu signed a petition demanding workers be allowed to set up unions and on May 21, ahead of

the anniversary of the June 4 massacre in Tiananmen square, he disappeared.

Nothing was known of his whereabouts until early this month, when his wife was told he was in Tuanhe labor camp outside Beijing. On July 10, he was moved to Shuanghe for three years re-education through labor, an administrative sentence that does not require a trial. "When I left Shuanghe they stripped me to check I was not taking anything from the prison. Although I took him lots of good food, nourishing supplements and medicines, they only let him have the cheap foods and cheap cigarettes and some medicines. The rest I had to take home with me," she said by telephone.

In Tuanhe he was beaten up by the "head" of a group of prisoners, she said, adding "he is very weak and ill, and I don't know if the doctors will treat him."

Chu is preparing to sue the Beijing Public Security Bureau, Beijing Municipal government and the Reeducation Through Labor Bureau on the basis of a letter Liu posted out of the prison demanding the government pay him compensation and end his "illegal detention." "I am like my husband's ambassador now and must fight for him" she said by telephone.

The letter, reproduced in a statement from the humanitarian organisation Human Rights Watch Asia, says Liu's actions have been entirely within the law.

"My actions contain no criticism of the government and have not incited any trouble," Liu said. "A letter I wrote with Wang Dan in 1995 simply aimed to clean away the hidden problems of society to prevent a repeat of Tiananmen tragedy."

Liu, 48, said he attempted to register a labor rights group five times in 1994, but the security bureau told him the application "does not conform to the regulations of the registration of an organisation or group."

Another charge levelled against Liu is that he received money and aid from the "illegal foreign and reactionary organisation, Human Rights Watch Asia."

"I received 100 dollars from the organisation. It was collected by students in the US. That's not illegal, [no closing quotation mark as received] the statement said.

"But what is illegal is that the police hounded me and followed me for months and months in 1994 and 1995. That was against the law and curtailed my rights," Liu's statement said.

Chu said her husband is in fairly good spirits, despite tough conditions in prison, but she will press for compensation and an end to his illegal detention.

**PRC: Family of Bao Tong Fear He 'Will Be Detained Indefinitely'**

HK2207070096 Hong Kong SOUTH CHINA MORNING POST in English 20 Jul 96 p 8

[By staff reporters]

[PTS Transcribed Text for FBIS] The family and friends of Bao Tong fear that the former secretary of ousted party chief Zhao Ziyang will be detained indefinitely.

A source close to the family said the authorities would let Bao rejoin them if the former aide and his relatives agreed to move to another residence.

Immediately upon his "release" in May after a seven year jail term, Bao was put under house arrest in Western Hills, a Beijing suburb.

"Soon after Bao's release, the authorities told the family to move to an undisclosed location within a week, adding that Bao would be allowed to join them there," the source said.

He added that neither Bao nor his wife and children agreed.

"Bao and his family insisted that under Chinese law, the authorities should have let him walk free unconditionally the moment he was out of jail," the source said.

The Baos' apartment is in the heart of the capital. Family members feared they would be moved to a secluded part of town where they would be under surveillance.

"We just want the authorities to respect the law and put an end to his illegal detention," a member of the family said yesterday.

He added that while personnel from the Beijing Public Security Bureau were handling the case, key decisions on Bao were made by top units, including the General Office of the Chinese Communist Party.

"Bao Tong got fever and diarrhoea last month, and it took his guards five days to get permission for him to leave the Western Hills compound to see a doctor," the family member said.

"He has suffered the past few years from a low level of white blood cells, as well as acute skin diseases.

"We want him out of detention to get the proper treatment," he added.

It is understood that the authorities have ruled out allowing Bao to seek medical treatment abroad.

The former Central Committee member has not been allowed to see anybody except immediate family members.

Western diplomats in Beijing said the harsh treatment meted out to Bao, 63, was part of an effort by President Jiang Zemin to prevent the Zhao faction coming back to power.

"While the ousted party chief has been kept under house arrest since the Tiananmen Square crackdown in 1989, Jiang is still very nervous about Zhao and his associates," a Western diplomat said.

**PRC: Crime and Punishment in PRC**

OW2307022096

[FBIS Report] The following is a compilation of reports on crimes, sentencings, punishments, and other judicial-related activities in the PRC monitored by Okinawa Bureau during the period from 5 July to 22 July 1996. The source and mode of processing are given in parentheses after each report:

**Zhejiang's Hangzhou City Executes 20 Criminals —**

Zhejiang's Hangzhou Intermediate People's Court held a rally on 3 July to announce the penalty for more than 60 criminals involved in robberies, thefts, and murders, of whom 20 were sentenced to death and deprived of their political rights for life. They were executed on the same day on the order of the president of the Zhejiang Provincial Higher People's Court. Among those executed were Hu Yongjun and Ye Fangqing who robbed and killed a family of four people; Hua Guobiao, Huang Mingzhang, and Chen Wuzhang who robbed some 60,000 yuan of cash and property; and murderer Wei Guojun. (Summary) (Hangzhou ZHEJIANG RIBAO in Chinese 5 Jul 96 p 1)

**Jiangxi Sentences Six Robbers to Death —**

Jiangxi Province's Ganzhou City Intermediate People's Court held a public trial on 14 June and sentenced Yang Qingwu, Wan Yilin, and Song Shouming to death for robbing a truck driver in Ningdu County. On 27 May, the Linchuan County sentenced Huang Baohua, Zhou Jianqiang, and Yan Chaoxing to death and Huang Jianyong to 15 years imprisonment for committing numerous highway robbery cases this year. (Summary) (Nanchang JIANGXI RIBAO in Chinese 6 Jul 96 p 1)

**Hainan Court Sentences Five Criminals to Death —**

The Hainan Intermediate People's Court held a public meeting recently to announce the death sentence for Lin Mingliang and Chen Ziji, who committed bribery and misappropriated 2.5 million yuan of public funds; and Zhang Fuxue, Yu Gang, and Deng Xingjian, who robbed some 300,000 yuan from 30 people on the highway. (Summary) (Haikou HAINAN RIBAO in Chinese 7 Jul 96 p 1)



**Wanted Criminals Surrender to Hainan Police —** Following the surrender of wanted murderer Fu Zhengang at the Diaolou border police station on 1 June, 280 criminals have surrendered themselves to Hainan's border police stations as of 4 July. The results were due mainly to the issue of a provincial circular calling on wanted criminals to surrender. (Summary) (Haikou HAINAN RIBAO in Chinese 7 Jul 96 p 1)

**Zhejiang's Jiaxing City Executes 17 Criminals —** Zhejiang's Jiaxing City Intermediate People's Court held a public rally on 3 July to announce the penalties for 92 criminals convicted of robberies, thefts, and murders, of whom 17 were sentenced to death and deprived of their political rights for life through the approval of Zhejiang Provincial Higher People's Court. They were executed on the same day on the order of the president of the provincial higher people's court. (Summary) (Hangzhou ZHEJIANG RIBAO in Chinese 7 Jul 96 p 1)

**Yunnan Public Security Organs Crack Down Hard on Crimes —** Under the current "strike-hard" struggle, Yunnan Province's public security organs took measures to rectify public security order in the surroundings of large and medium-sized enterprises and institutes of higher learning. Security organs in various localities, including Lincang prefecture, Dongchuan city, Yuxi county, arrested some 80 criminals of various crimes, including theft, fraud, and drug abuse in May and June. (Summary) (Kunming YUNNAN RIBAO in Chinese 9 Jul 96 p 1)

**Yunnan Holds Meeting on Trading Posts Management, Antismuggling Tasks —** A provincial meeting on trading posts management and antismuggling measures concluded in Kunming city recently. Vice Governor Liu Jing affirmed outstanding achievements in trading posts management and antismuggling tasks in recent years and called for furthering the good work during the "Ninth Five-Year Plan" period. He cited mind emancipation, change of concepts, and bold experiments as essential for the tasks. Further, he stressed reform of the trading posts management system and continued antismuggling efforts. (Summary) (Kunming YUNNAN RIBAO in Chinese 10 Jul 96 p 1)

**Hunan's Chenzhou City Executes Five Highway Robbers —** Hunan's Chenzhou City Intermediate People's Court held a public meeting on 25 June to announce the death sentence for Tan Yongqiang, Tan Haiyuan, Shi Waihua, Liang Xianti, and Liu Hongbing who robbed about 80,000 yuan from passengers of 50 cars and buses on highway between 1990 and 1994. The five convicts were executed on the same day. (Sum-

mary) (Changsha HUNAN RIBAO in Chinese 10 Jul 96 p 3)

**Sichuan's Fuling City Executes Three Burglars —** On 26 June, Sichuan's Fuling Intermediate People's Court executed Chen Zhong, Zhu Yunfeng, and Yuan Changrong for stealing value-added tax receipts from Fuling city's national tax bureau. They were also involved in a series of 35 burglary cases, stealing more than 250,000 yuan in cash and property. (Summary) (Chengdu SICHUAN RIBAO in Chinese 10 Jul 96 p 3)

**Sichuan's Yibin Prefecture Seizes Firearms, Explosives —** Sichuan's Yibin Prefecture achieved outstanding results in cracking down on crimes involving firearms and explosives. As of 8 July, the prefecture had busted 25 cases of illegal arms possession and uncovered 38 illegal gun production locations, seizing a batch of guns and seven tons of explosives and 4,847 detonators. In a campaign to collect illegal guns and explosives from 20 May to 20 June, 32 illegal gun owners surrendered their arms. (Summary) (Chengdu SICHUAN RIBAO in Chinese 11 Jul 96 p 3)

**Jiangxi's Guangfeng County Makes Progress in Crime Crackdown —** Since the beginning of the "strike-hard" struggle, public security organs of Jiangxi's Guangfeng county cracked 105 various criminal cases and 31 criminal groups as well as seized a group of illegal guns. (Summary) (Nanchang JIANGXI RIBAO in Chinese 11 Jul 96 p 3)

**Jiangxi's Dexing County Arrests Six in Illegal Cultural Relics Trade —** Since Jiangxi's Dexing county began the second wave of the "strike-hard" struggle, the county's public security organs have cracked some major cases. Major criminals arrested were Hong Jianhua, Xu Zhide, and four others who frequently traded cultural relics illegally in Jiangxi and Zhejiang, and 275 precious cultural relics were recovered. (Summary) (Nanchang JIANGXI RIBAO in Chinese 11 Jul 96 p 3)

**Nanjing Customs Crack Down Hard on Smuggling —** Nanjing Customs took measures to crack down hard on smuggling since the beginning of 1996. In the first half year, the customs uncovered 57 smuggling cases involving a total of 324 million yuan and seized 128.8 million yuan worth of smuggled goods, mainly motorcycle engines, photocopy machines, color computer monitors, printers, and laser-disc players. (Summary) (Hong Kong ZHONGGUO XINWEN SHE in Chinese 0936 GMT 17 Jul 96)

**Shanghai Sentences Seven Criminals to Death —** The Shanghai First Intermediate People's Court 18 July handed down sentences on nine accused of four serious criminal cases. Seven criminals, including Gu



Ming and Miao Tongsen, were sentenced to death for murders. (Summary) (Shanghai People's Radio Network in Mandarin 2300 GMT 18 Jul 96)

**Beijing Radio Rounds Up Crime Crackdown in Localities** — Various localities have continued the "strike-hard" struggle to crack down hard on crimes: Yunnan's Kunming City railway subbureau arrested train robbers wanted by Sichuan; Shandong's Zaozhuang City held rally to announce death sentence for a group of major criminals; Jiangxi's Yintan City busted a major criminal gang headed by Han Laigu and Wei Zhengming and recovered two Olympic Games medals of Chinese gymnast Luo Yun; Liaoning's Fushun City cracked a gang of eight criminals involved in many car thefts; Jilin's Changchun City solved a three-year-old murder case and arrested three criminals; Anhui's Hefei City residents handed over 40 criminals to the police in the past two months. (Summary) (Beijing Central People's Radio Network in Mandarin 1030 GMT 20 Jul 96)

**Zhejiang's Linhai City Arrests 263 Fugitives, Cracks 70 Cases** — Since the end of last year, public security organs of Zhejiang's Linhai City have arrested 263 fugitives, of whom 21 are major criminals, and cracked some 70 cases, including 32 major ones. The city began the "strike-hard" struggle to crack down on crimes with close cooperation of the public and wide publicity in various localities calling on the fugitives to surrender to the authorities. (Summary) (Beijing XINHUA Domestic in Chinese 0128 GMT 22 Jul 96)

**PRC: Regulations Governing Special Signs Issued**  
OW2207114296 Beijing XINHUA Domestic Service  
in Chinese 2117 GMT 18 Jul 96

[FBIS Translated Text] Beijing, 19 Jul (XINHUA) — Regulations Governing Special Signs Chapter I. General Principles

Article 1. These regulations are formulated to improve management of special signs; promote cultural, sports, scientific research, and other social or public welfare development; and to protect the legitimate rights and interests of the owners and users of special signs and consumers' legitimate rights and interests.

Article 2. The special signs referred to in these regulations are names, their acronyms, emblems, mascots, and other signs that are composed of words or figures and that are used for national or international cultural, sports, scientific research, or other social or public welfare activities held with the State Council's approval.

Article 3. Special signs approved by and registered with the industry and commerce administration department of the State Council are protected by these regulations.

Article 4. Special signs composed of words or figures that contain any of the following contents are not to be registered:

- (1) those that impair the dignity or image of the state or international organizations;
- (2) those that violate good social customs and practices or that will undermine public order;
- (3) those that discriminate against any ethnic groups and have adverse effects on nationality unity;
- (4) those that lack notability and are difficult to distinguish;
- (5) those that contain other contents prohibited by law or administrative regulations.

Article 5. Funds raised through the use of special signs by the owners of the special signs or by others with the permission of the owners of the special signs must be used for the social or public welfare activities that are served by the special signs. These funds must be subjected to the supervision of financial and auditing departments of the State Council. Chapter II. Registration of Special Signs

Article 6. The organizers or preparatory persons of social or public welfare activities should submit an application to the State Council's industry and commerce administration department for the registration of the names, emblems, mascots, and other special signs to be used by them that need to be protected.

Applications for registration may be submitted by the organizers or preparatory persons, or by their attorneys-in-fact.

Article 7. To apply for registration of a special sign, an application form should be filled and submitted along with the following documents:

- (1) Documents issued by the State Council indicating approval for holding the social or public welfare activities.
- (2) Terms and conditions on which others may use the special sign to be registered and provisions for managing that use.
- (3) Five copies of the drawing of the special sign and one copy of the draft of the special sign in black and white. The drawings should be clear, easy to paste, and printed on a fine and durable paper. Photographs may be used in lieu of drawings, provided that these photographs are not more than 10 cm and not less than 5 cm in length and width.

(4) If the application is submitted by an attorney-in-fact, a power of attorney indicating the details and limit of authorization should be attached.

(5) Other documents that the industry and commerce administration department of the State Council deems necessary.

Article 8. Upon receiving applications for the registration of special signs, the industry and commerce administration department of the State Council is to handle them according to the following procedures:

(1) A notification letter indicating that the application has been accepted for processing is to be issued within 15 days after the application is received if the application conforms to relevant stipulations of these regulations and if supporting documents are complete and correct. Within two months after the notification letter is issued, matters concerning the said special signs, the drawings, and the commodities and services authorized to be used are to be registered, and a registration certificate is to be issued.

After a special sign is approved for registration, it is to be announced by the industry and commerce administration department of the State Council.

(2) A notification letter requiring additional documents or corrections is to be issued within 10 days after the application is received if the application documents are incomplete or incorrect; the notification letter is also to demand that the applicant submit additional documents or corrections within 15 days after he or she receives the notification letter. If additional documents or corrections are not submitted within the specified period, or if the submitted additional documents or corrections still do not conform to relevant stipulations of these regulations, another notification letter is to be issued indicating that the application is not accepted for processing.

(3) A notification letter indicating that the application has been turned down for processing is to be issued within 15 days after the application is received if the application is in contravention of the regulations contained in Article 4. The applicant who refuses to accept such notification letter can apply with the industry and commerce administration department of the State Council for reconsideration within 15 days after the refusal notification is received.

Various notification letters as listed in previous paragraphs shall be sent by the industry and commerce administration department of the State Council to applicants or their attorneys-in-fact. If such notification letters cannot be directly delivered for some reasons, the 20th day after the industry and commerce administration department of the State Council issues the announce-

ment or mails the notification letters will be considered as their delivery date.

Article 9. The term of validity for a special sign is four years, beginning from the registration date of its approval.

The owner of the special sign can apply for the postponement of its term of validity within three months before it expires. The term of postponement shall be decided by the industry and commerce administration department of the State Council in accordance with actual situations and needs.

If the owner of the special sign changes his or her address, he or she shall report the change to the industry and commerce administration department of the State Council for the record within one month after such change.

Article 10. During the period between the announcement day of a special sign and the end of its term of validity, any units or individuals can explain, with the support of relevant evidences, to the industry and commerce administration department of the State Council and ask it to announce that the registration of the special sign is invalid if one of the following situations exists regarding the special sign which was already registered:

(1) It is identical or similar to another special sign which had previously applied for registration.

(2) It is identical or similar to another trademark which had previously applied for registration or been granted with registration.

(3) It is identical or similar to another exterior design which had previously applied for a patent or been granted with a patent.

(4) It violates other people's copyrights.

Article 11. The industry and commerce administration department of the State Council should inform the other party concerned, within 10 days after it receives an application for the announcement of the invalidation of a special sign, and ask him or her to reply within 15 days after he or she receive the notification.

If the other party concerned refuses to reply or reply after the set time without appropriate reasons, he or she can be considered as giving up his or her right to reply.

Article 12. The industry and commerce administration department of the State Council should make its decision within three months after it receives an application for the invalidation of a special sign and inform the party concerned of its decision. If the party concerned refuses to accept the decision, he or she can apply, within 15



days after he or she receives the notification, with the industry and commerce administration department of the State Council for reconsideration. Chapter III. Use and Protection of Special Signs

**Article 13.** The owner of a special sign can use it on advertisements, souvenirs, and other articles relating to the activities of public interests and allow other people to use it on the commodities or service items as approved by the industry and commerce administration department of the State Council for reconsideration.

**Article 14.** The users of a special sign should be enterprises, institutions, social groups, and individual industrial and commercial households formed in accordance with the law.

The users of the special sign should sign a written contract with its owner on the terms of its use.

Within one month after the contract is signed, the users of the special sign should submit a copy of the contract to the industry and commerce administration department of the State Council for the record and report the deal for the file to the industry and commerce administration department of the people's government at or above the county level where the users are located.

**Article 15.** If the owner or user of a special sign does one of the following actions, the industry and commerce administration department of the people's government at or above the county level where the user is located or where the action occurs should order them to correct such action or actions and punish them with a fine of less than 50,000 yuan. If the situation is severe, the industry and commerce administration department of the people's government at or above the county level can order the user to stop the use of the special sign and the industry and commerce administration department of the State Council can cancel the registration of the special sign:

(1) to change without authorization the language and design of the special sign.

(2) To allow other people to use the special sign without signing a contract or the user of the special sign fails to submit within the set time a copy of the contract to the industry and commerce administration department of the State Council for the record or report the deal for the file to the industry and commerce administration department of the people's government at or above the county level where the user is located.

(3) To use the special sign on commodities and services outside the approved registration scope.

**Article 16.** If one of the following actions is found, the industry and commerce administration department of the

people's government is to order those who violate the conditions for a special sign to immediately stop their violation, confiscate the commodities which violate the right of the special sign as well as the illegal income thus earned, and punish the violators with a fine of less than five times the illegal income or with a fine of less than 10,000 yuan if there is no illegal income:

(1) To use without authorization language, design, or combination of language and design that is identical or similar to the owner's special sign.

(2) To manufacture, sell the special sign, or use it in commercial activities without the approval of its owner.

(3) Other activities which have caused the owner of the special sign economic losses.

**Article 17.** When the owner and user of a special sign find out that their ownership and use rights are encroached upon, they can file a complaint with the industry and commerce administration department of the people's government at or above the county level where the violators are located or where the violation occurs; they can also directly sue the violators in the people's court.

When an industry and commerce administration department accepts a complaint concerning the violation of the special sign, it should preside over a mediation for civil compensation at the request of the owner of the special sign; if the mediation fails to succeed, the owner of the special sign can sue the violators at the people's court.

**Article 18.** After accepting a case in which a special sign is violated, an industry and commerce administration department, while conducting investigations and searching for evidence, can carry out the following duties for which the parties concerned should provide with assistance instead of refusing:

(1) To question the parties concerned.

(2) To inspect the articles relating to the activities that violate the rights.

(3) To investigate the activities relating to the activities of rights violation.

(4) To check and duplicate business materials such as contracts and accounting books. Chapter IV. Supplementary Provisions

**Article 19.** The standard of application fee, announcement fee, and registration fee for a special sign is to be formulated by the finance and price control departments of the State Council together with the industry and the commerce administration department of the State Council.



Article 20. The forms of relevant documents for the application of a special sign is to be formulated by the commerce administration department of the State Council.

Article 21. These regulations can be applied for reference in the protection of names, emblems, mascots, and other signs used by organizations which are approved by the State Council to represent China in international cultural, sports, scientific research activities.

Article 22. These regulations go into effect on the day of promulgation.

### Science & Technology

#### PRC: Elite Scientists, Academics Offered Special Medical Service

OW2207090496 Beijing XINHUA in English  
0837 GMT 22 Jul 96

[FBIS Transcribed Text] Beijing, July 22 (XINHUA) — More than 400 top veteran scientists and academics in China have been offered lifelong special treatment at the country's top hospital.

It is part of a drive to reward the country's top brains for their contribution to China's development.

A total of 411 scientists and academics from the Chinese Academy of Sciences and the Academy of Engineering in Beijing have been offered the special medical service at the famous Beijing Hospital.

It will bring to 630 the total number of Beijing's celebrated experts enjoying priority medical services, including regular physical check-ups, in the hospital, one of the country's very top medical bodies, located in downtown Beijing.

The move, sponsored by the Organization Department of the Chinese Communist Party Central Committee and the Ministry of Public Health, is aimed to relieve the noted figures of any problems for medical services in the capital.

It may also serve as part of a national drive to improve the medical services for noted scientists throughout the country.

The Beijing-based scientists will be organized in groups to have free physical checks in the hospital every Saturday. And the Ministry of Finance has put aside special funds to pay for the checks.

The first group of nearly 60 scientists, who have just joined the priority list, went to the hospital, last weekend for medical checks.

PRC: Li Lanqing on University Science Work  
OW2207155996 Beijing XINHUA Domestic Service  
in Chinese 1215 GMT 15 Jul 96

[By RENMIN RIBAO reporter Bi Quanzhong (3968 0356 1813) and XINHUA reporter Yin Hongzhu (1438 7703 4376)]

[FBIS Translated Text] Beijing, 15 Jul (XINHUA) — Li Lanqing, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, pointed out in his opening speech at the National Conference on Science and Technology Work of Institutions of Higher Learning on 15 July that it is necessary to further promote the development of science and technology of institutions of higher learning so that it will make even great contribution to "invigorating the country with science and education." Governments and departments concerned at various levels must further show concern and support the science and technology work of institutions of higher learning and energetically create necessary conditions and environment for the broad masses of science and technology workers.

This is the second national conference on science and technology work of institutions of higher learning convened by the State Education Commission since the beginning of reform and opening up. The meeting will study and set the train of thinking, targets, and tasks of the reform and development of science and technology work of institutions of higher learning during the Ninth Five-Plan period and the period up to the year 2010. Comrades in charge of work concerned of various localities and some ministries and commissions, and comrades in charge of over 100 institutions of higher learning attended the conference.

In his speech, Li Lanqing pointed out that the key to invigorating the country with science and education is capable personnel. The most important task of institutions of higher learning in implementing the strategy of "invigorating the country with science" is to train high-grade specialized capable personnel needed by various trades and professions. Because of this, it is necessary to reform education ideas, concepts, contents, and methods which cannot meet the needs of modernization, optimize education structure, the distribution of schools, and the specialities and courses of study, strengthen ideological and political construction and the construction of teaching materials, make the distribution of existing education resources more rational and make full use of them, and raise the level of the quality and efficiency of tertiary education of our country to a higher level. Another important task of institutions of higher learning in implementing the strategy of "invigorating the

country with science and education" is to develop science, technology, and culture, raise the level of science and culture of our nation to a higher level, and promote technological progress of various trades and professions. Institutions of higher learning are enormous knowledge and personnel treasures. They are not only cradles for bringing up capable personnel, but also positions for cultivating new ideas, new theories, new technologies, and new processes. Many new discoveries and inventions of science were first developed and made in institutions of higher learning and then gradually spread in the society and developed into productive forces. We must attach great importance to the valuable resources of institutions of higher learning and give full play to their role in serving the modernization drive. It is necessary to further deepen the reform of the science and technology management structure so that science and technology productive forces can be further liberated and developed. It is necessary to change the irrational science and technology management structure and the distribution of science and technology institutions across the country, eliminate various drawbacks which hamper science and technology progress, make efforts to avoid the phenomena of similar science institutions in the same locality and of repeating low-level scientific research, establish a new structure which can meet the needs of the development of the socialist market economy, conforms with the law of development of science, technology, and education, and closely integrate science, technology, and education with the economy, so that enterprises, institutions of higher learning, and independent research institutions can have their respective positions in the state science and technology series, strengthen combination, promote cooperation, and develop a new pattern in which strong points complement one another and production, education, and research are closely integrated.

Li Lanqing stressed that in carrying out scientific research, institutions of higher learning should implement the guiding principle that "science and technology work must be geared to economic construction, economic construction must depend on science and technology, and scientists must courageously scale the summit of science and technology," adhere to the basic principle of the integration of scientific research with the training of people, and cooperation between production, education, and research, serve economic development, promote science and technology progress, and improve the quality of training capable personnel. Institutions of higher learning should give play to their respective strong points and should play an even greater role in basic research and in research on new and high technology. Basic research should have smaller quantity but better quality and most efforts should be devoted to research on applied sciences to meet the needs of the society in combination with

teaching work. Results of scientific research should be turned into primary productive forces within a relatively short time. Institutions of higher learning should strive to serve local economic development, make contribution to the science and technology progress of various trades and professions, and give play to their role in tackling difficult problems in science and technology of the whole country.

Li Lanqing pointed out that since the beginning of reform and opening up, particularly during the Eighth Five-Year Plan period, the institutions of higher learning of our country have greatly developed science and technology work, made great achievements, accumulated rich experience, and played a great role in promoting economic and social development and in promoting tertiary education. At present, institutions of higher learning are faced with both an unprecedented opportunity for development, and stern challenges and numerous difficulties. He hoped that comrades engaged in tertiary education will develop their achievements, overcome difficulties, seize opportunities, deepen reforms, strive to make even greater achievements in the Ninth Five-Year Plan period, and make good preparation in terms of capable personnel and science and technology for our country's development in the next century while making contribution to the economic and social development of our country at present.

Wei Yu, vice minister of the State Education Commission, made a work report at the conference. He recalled and summed up the achievements and experience of the science and technology work of institutions of higher learning during the Eighth Five-Year Plan period, put forward targets and major tasks for them in developing science and technology work for some time to come, made clear measures for further speeding up their reform and development in science and technology work, and emphatically pointed out the necessity of properly grasping mainly eight things on the basis of overall arrangements during the Ninth Five-Year Plan period, that is, making great efforts to promote work in invigorating agriculture with science and education, promoting the integration of production, education, and research, strengthening work to apply science and technology achievements to production, properly carrying out a number of key research projects, establishing open-type and network-type basic research systems, developing an education and scientific research computer network, training and bringing up a number of young backbone elements for science and technology work, and organizing activities to spread science and technology and to carry out education on science and technology.

Zhu Guangya, vice chairman of the Chinese People's Political Consultative Conference National Committee,



and president of the Chinese Academy of Engineering, Zhu Kaixuan, minister of the State Education Commission, and Zhou Guangzhao, president of the Chinese Academy of Sciences, and chairman of the China Association for Science and Technology, also attended the opening ceremony today.

### Military & Public Security

#### PRC: 'Secret Document' Warns Against Foreign Spying

HK2307035496 Hong Kong TUNG HSIANG  
in Chinese 15 Jul 96 No 131, pp 18-19

[Article by CHENG MING reporter Li Tzu-ching (7812 5261 0079): "Classified Document on Cracking Down on Espionage Activities by Foreign-Funded Enterprises"]

[PTS Translated Text for FBIS] Since the start of reform and opening up, foreign funds have been pouring into the mainland. Foreign-funded enterprises and joint venture companies have sprung up like bamboo shoots after a spring rain. There are also all sorts of China-based institutions. Large numbers of foreign businessmen go to the mainland for sightseeing or exchanges. Communist China, which has always run things secretly, is highly vigilant about this situation. This is because China has consistently believed that the United States and the West, out of their strategic policies against China, will assign spies in the foreign-funded companies and China-based institutions and among people visiting China in order to steal and gather information about China.

#### In the First Five Months of This Year, 115 Intelligence-Stealing Cases Were Cracked at Various Ports

According to an insider from the Public Security Ministry's compound, in an internal circular released on 21 June, the Ministry of State Security claimed that, in the first five months of this year, 115 cases of carrying, stealing, buying, and gathering information; data; documents; photocopies, handwritten copies, or pictures of documents; and videotapes about the party, government, and army were cracked in the airports, ports, or border posts of Beijing, Tianjin, Dalian, Shanghai, Kunming, Guangzhou, Shenzhen, Zhuhai, Shekou, and Xiamen.

The specific details are as follows:

A total of 13 cases were cracked in January, including two at Beijing airport, five at Shenzhen's Luohu, two at Shenzhen's Wenjindu, one at Xiamen airport, two at Kunming airport, and one at Dalian airport.

A total of 26 cases were cracked in February, including nine at Shenzhen's Luohu, two at Shenzhen's Shekou,

three at Shenzhen's Shatoujiao, two at Beijing airport, three at Zhuhai's Gongbei, three at Guangzhou airport, one at Tianjin airport, three at Shanghai airport, and one at Dalian airport [figures as published].

A total of 31 cases were cracked in March, including 11 at Shenzhen's Luohu, two at Shenzhen's Shekou, three at Shenzhen's Wenjindu, four at Guangzhou airport, two at Guangzhou's through train terminal, three at Beijing airport, three at Zhuhai's Gongbei, one at Dalian port, and two at Xiamen airport.

A total of 22 cases were cracked in April, including three at Shenzhen airport, seven at Shenzhen's Luohu, three at Shenzhen's Shekou, two at Shenzhen's Wenjindu, two at Shanghai airport, two at Beijing airport, two at Tianjin airport, and one at Fuzhou airport.

A total of 23 cases were cracked in May, including nine at Shenzhen's Luohu, four at Shenzhen's Wenjindu, one at Shenzhen's Shekou, three at Guangzhou airport, three at Zhuhai's Gongbei, two at Xian airport, and one at Shanghai airport.

#### Luo Gan Calls On State Security and Customs Departments To Crack Down on Espionage Activities

On 28 June, at a meeting of the Ministry of State Security, Ministry of Public Security, Ministry of Foreign Trade and Economic Cooperation, Foreign-Funded Enterprises Office [wai zi ban 1120 6327 6586], United Front Work Department, and other departments, State Council Secretary General Luo Gan talked about espionage activities carried out by foreign intelligence agencies in China.

Luo said: This is a sound but also silent political struggle against espionage, sabotage, and infiltration. This kind of political struggle is complicated, covert, and acute. U.S. and Japanese foreign trade organs have been quite reckless in instigating and conducting activities to steal and gather intelligence and data about our party, government, military, and economy. Intelligence personnel have been placed by the United States and Britain in Taiwan- and Hong Kong-funded companies and enterprises to carry out espionage activities in the mainland in their capacity as experts or senior executives.

Luo called on the public security departments, state security departments, customs border defense departments, post and telecommunications departments, security departments in enterprises and other institutions, and special counterintelligence departments to step up cooperation and raise their professional level in cracking down on espionage activities.



**Top Secret Document on Cracking Down on Espionage Activities by Foreign-Funded Enterprises**

On 28 June, the Chinese State Council endorsed a top secret document by the State Security Ministry entitled "On Comprehensively Stepping Up Supervision of and Crackdown on Activities of Stealing Party, Government, Military, and Economic Information by Foreign-Funded Enterprises, Joint Ventures, and China-Based Foreign Economic and Trade Organs."

The document points out: Given the deepening of reform and opening up and the changeable international political situation, the United States and the West, out of their strategic policies against China, have been conducting activities to steal or gather documents, data, and other information about our party, government, military, state security, public security, and economy in the name of setting up foreign-funded enterprises, joint ventures, or industrial, commercial, economic, trade, and banking institutions in China, thus seriously affecting, obstructing, and disrupting China's political, economic, and social order.

**"Gathering Information About Deng Xiaoping's Health"**

The document also points out that the enemy side has been stealing, spying, and collecting information, data, or documents in the following nine areas:

1. Focusing on stealing and gathering information about internal meetings or internal documents about the party, government, and military at the central level.
2. Spying on and collecting or stealing information about the activities of principal party, government, and military leaders at the central level, as well as Deng Xiaoping's health.
3. Trying to obtain or gathering classified information by approaching people handling classified work for party, government, and military leaders at the central level.

**"Bribing Cadres Working in Sensitive Departments With Money, Sex, or Passports"**

4. Bribing or working in collusion with cadres in party, government, and other departments and, most important, cadres in sensitive departments, with money, sex, or passports.
5. Looking for and bribing family members of senior cadres in party, government, military, and public security departments and the economic field under the pretext of making friends and carrying out work or academic exchanges in order to steal intelligence or data.
6. Under various pretexts, sneaking into or entering without authorization (saying that they have inadvertently

entered) classified parts of party, government, and other departments, where they wait for an opportunity to steal or gather intelligence and data.

**"Luring Cadres Based in Hong Kong and Macao Into Carrying out Espionage Activities"**

7. Foreign intelligence agencies are responsible for assigning intelligence personnel as senior managers of the foreign party in foreign-funded enterprises and Sino-foreign joint ventures at major Chinese political and economic centers.

8. Foreign intelligence agencies bribe or lure Chinese high- and mid-level cadres working in economic institutions in Hong Kong, Macao, the United States, Japan, and Western Europe, as well as their family members, into carrying out espionage activities for their governments or agencies, using money, sex, passports, or by posing as diplomatic personnel.

9. Foreign intelligence agencies look for recruits among Chinese students studying or taking a refresher course abroad at public expense, experts doing field work abroad at public expense, or cadres going abroad for visits or inspection.

**Communist China Plants Counterintelligence Personnel in Foreign-Funded Enterprises**

Communist China wants to introduce foreign capital into the country, but it is also afraid that foreign capital will harm the country. This state of ambivalence has always been China's contradiction. The fact that China now again stresses the need to guard against espionage activities among foreign-funded enterprises is precisely a manifestation of this mentality. Chinese officials know that they should not reject foreign capital and stop opening the country to the outside world just because they are afraid of espionage activities among foreign-funded enterprises. For this reason, on the one hand, they have to open up, but, on the other hand, they must guard against espionage activities. Naturally, in the dictionary of communist China, the use of "spy" is very loose, and there are often cases in which things are blown out of proportion. This is because everything is run secretly and everything is kept secret under the totalitarian and authoritarian system. If you know something going on in the black box, you will be regarded as a "spy." Of course, this is an "unjust or false case."

In the early period of reform and opening up, with foreign capital pouring into the Chinese mainland, the counterintelligence department of communist China set about getting to grips with this task. They have trained

and planted large numbers of personnel in foreign-funded enterprises and companies as employees of the Chinese side in order to keep an eye on the personnel of the foreign firm and keep them under strict control. The counterintelligence departments of communist China have never relaxed their guard. Communist China may be negligent in other work, but on this issue it is the most well-organized and efficient in the world. From this, we can also see that communist China is an out-and-out police state.

#### **PRC: PLA Hong Kong Garrison Commander Profiled**

*HK2307084096 Hong Kong WEN WEI PO in Chinese 17 Jul 96 p A3*

[Profile by special correspondent: "Liu Zhenwu: Scholarly General Well Versed in Military Theories"]

[PTS Translated Text for FBIS] The People's Liberation Army [PLA] Hong Kong garrison is a special force carrying out special tasks. The commander of the army, navy, and air force stationed in Hong Kong is a figure in the limelight. More and more people hope to have a look at his elegant appearance and know something about him.

His name is Liu Zhenwu. He enlisted in the armed forces in 1961. He is now 52 and a major general.

#### **He Came From an Ordinary Family and Is Determined To Dedicate Himself to the Service of His Country**

Commander Liu was born in an ordinary township in Yiyang County, Hunan Province. His parents were civilians. At that time the country was in chaos caused by war. The Japanese invaders burned, killed, and looted wherever they went. The township was occupied by invading Japanese troops after suffering wanton and indiscriminate bombing. His mother, a newborn baby in her arms, hid in the mountains. Gazing at this newborn son, his father, who was excited and enthusiastic, thought hard and named him Zhenwu [becoming strong], with the hope that his son would have a perfect mastery of combat skill when he grew up so as to drive the Japanese invaders out of the country.

Liu Zhenwu, who cherished a lofty ambition to contribute to his motherland, finally filled a combat post at the age of 17, when the high school graduate became a member of the "Huang Caoling Heroic Company" under a regiment of the Guangzhou Military Region.

#### **He Is Proficient in Military Training and Troop Management**

A large-scale army-wide competition in military skills was held in Xinyang, Henan Province, in 1964. As the leader of the top training squad, Liu Zhenwu took part in the army-wide competition for top members of individual soldier tactical squads, representing the Guangzhou Military Region, and he won first prize.

After the competition, Liu was promoted from platoon leader under the "Huang Caoling Heroic Company" to staff officer of a regimental operational training department, leader of a regimental operational training section, staff officer of the Guangzhou Military Region operational training department, leader of the military region training section, and deputy chief of the military region training department. In 1983, he was appointed chief of staff of a certain army and helped organize a number of exercises to counter airborne and marine landings. In 1984, he travelled to Romania on an inspection tour as a member of a PLA military delegation. From 1987 to 1989, he studied at the Basics Department of the National Defense University. His graduation thesis "On Combat to Counter Marine Landings" was praised as outstanding. He had an excellent academic record and was a top student of the university. In 1989, he was appointed deputy commander of a certain group army. In March 1992, he was promoted to commander of a certain group army and elected deputy to the Eighth National People's Congress.

Major General Liu Zhenwu is proficient in military training and troop management. He is good at thinking things out for himself and applies himself to studying laws governing military training and troop management with great concentration. His theses "Importance Should Be Attached to the Study of the Reform of the Ways of Commanding Troops"; "On Several Problems Concerning Operations Involving Theaters"; "A Probe of Ideological Guidance for Tactics for Offensives in Mountain and Forest Areas"; "Laws of Managing Troops in the New Period," and others, totaling more than a dozen, received prizes inside and outside the Army. The 400,000-character "Commanding Modern Troops," compiled mainly by him, has been published by the National Defense University Publication House.

Major General Liu Zhenwu has paid great attention to ideological and political education for troops. Wherever he inspects army units, he visits companies and conducts ideological and political education by holding heart-to-heart talks with officers and men. When a course on revolutionary outlook on life was being conducted last year for troops to be stationed in Hong Kong, Liu Zhenwu, who happened to stay with the troops to



gain firsthand experience, made preparations personally and then gave a political lecture entitled "Search of Revolutionary Fighters for the Value of Life," which elicited a very positive reaction from officers and men.

**He Has a Wide Range of Interests and Is a Man of Great Achievements**

"I have a wide range of interests. I like literature, sports, photography, and miniature gardening," said Liu when talking about his personal interests. "I am most interested in studying. I spend two hours every day reading books and newspapers. I also skim through a dozen and more newspapers I subscribe to," he added. He often reads books on war and other books on politics, military affairs, and literary works, including "Memoirs of Zhukov," "Military Works of Mao Zedong," "Selected Works of Deng Xiaoping," "Dream of the Red Chamber," "The History of the Three Kingdoms," "Complete Works of Shakespeare," "Mirror of History," "Collection of Best Ancient Chinese Proses," and "History of Wars." He also reads books on philosophy, history, economics, astronomy, and geography.

He likes sports, including mountaineering, swimming, table tennis, and badminton. When he is free, he practices calligraphy. His favorite hobby is miniature gardening. A member of the Lingnan Potted Landscape Association, he has grown over 100 potted plants, which he personally gathered on the mountains during his days off. The potted plants grow luxuriant in various shapes.

Major General Liu has a happy family. His wife works with a company in Huizhou, and his daughter is now working after graduating from college. Whenever they get together, his wife will personally prepare several delicious courses of typical Hunan cuisine.

Liu Zhenwu leaves the impression on his friends and new acquaintances that he is a scholarly general with the same qualities found in outstanding modern military commanders.

**PRC: Ningxia Cracks Two Narcotics Trafficking Cases**

SK2307054796 Yinchuan NINGXIA RIBAO  
in Chinese 3 Jul 96 p 3

[By correspondent Qin Hongbin (4440 7703 6333) and Qian Ling (6929 3781)]

[FBIS Translated Text] On 7 June, the criminal investigation division of the Wuzhong City Public Security Bureau cracked two major narcotics trafficking cases after finding clues. Two suspects and 292g of heroin were seized.

At 0800 on 7 June, the Wuzhong Public Security Bureau received a report from the people that several narcotics traffickers were trafficking in drugs in Wuzhong city. The criminal police immediately dispatched two teams to fight with the narcotics traffickers.

At 1500, they caught Jin Fengxiang, a suspect for narcotics trafficking, and seized 201g of heroin on the spot. The criminal police made persistent efforts and captured another trafficker He Jinrong at 1600. The police also seized 91g of heroin.

Currently, the two cases are under further investigation.

**PRC: Yinnan Prefecture Achieves Results in Crackdown Struggle**

SK2307061496 Yinchuan NINGXIA RIBAO  
in Chinese 6 Jul 96 p 1

[By Reporter Yang Shuhu (2799 2885 5706)]

[FBIS Translated Text] During the 100-day crackdown struggle, Yinnan Prefecture regarded striking stern blows to such criminal activities as killing and injuring people, robbery, trafficking in and abusing drugs and serious theft as the priorities, achieved breakthroughs in cracking down on major cases, smashing criminal cliques and pursuing escaped criminals, and achieved noticeable results. By 20 June, the whole prefecture cracked a total of 717 criminal cases of various kinds, of which 143 were major and appalling cases, discovered 190 hidden and long-pending cases, smashed 54 criminal cliques, and arrested 127 escaped criminals.

With a view to guaranteeing the realization of the crackdown target, prefectural and county (city) principal leaders in Yinnan Prefecture personally studied and formulated plans and promptly resolved the specific difficulties and problems existing in the crackdown struggle. The prefectural public security bureau classified and put in order all kinds of criminals on file since 1990, all major and appalling long-pending cases filed since 1995, and all major and appalling long-pending cases which were influential and were set to be cracked by the bureau; printed the list and issued it to all counties (cities); designated people to take charge of the cases; and defined their responsibilities and targets. All county (city) public security organs designated the key areas and places, took centralized and unified actions, and made a number of criminals rapidly fall into the net of justice. During the centralized and unified action taken on 26 April, Wuzhong City captured on the spot a gang of robbers, including Ding Shaojun; successively cracked three major murder cases; and captured three murderers. While solving the case of stealing goods from an electric machinery repair department in Qingtongxia Town, the



Qingtongxia City public security bureau ferreted out a six-member major theft criminal clique headed by Chen Zhanqin, which committed more than 20 cases, stealing goods valued at more than 170,000 yuan. The Zhongwei County public security bureau used only one day to crack a case on stealing sheep involving more than 50,000 yuan. All localities also dealt stern blows to a batch of criminals who "went against the law" to commit crimes. On 5 June, based on the report from the people, the prefectural public security bureau sent 10 policemen to crack a case on illegally possessing and trafficking in firearms in Zhongning County after 30

hours of careful investigation, captured two suspects on the spot, and seized 18 single or double-barrel hunting rifles and small-caliber rifles and 1,265 bullets.

In line with the local reality, all counties and cities also regarded the prominent public security problems reflected by the masses as the priorities of attack and rectification. Tongxin County regarded striking blows to drug-related crimes as the priority. Since the crackdown began, this county cracked 34 drug-related cases, captured 21 drug dealers, and seized 258g of heroin.

### General

#### PRC: Statistical Bureau Says Investment 'Under Control'

OW1907031896 Beijing XINHUA in English  
0313 GMT 19 Jul 96

[FBIS Transcribed Text] Beijing, July 19 (XINHUA) — China's investment in fixed assets was under control in the first half of this year and the investment mix had improved, Ye Zhen, a spokesman for the State Statistics Bureau, said during a press conference in Beijing today.

The investment in fixed assets at state-owned enterprises and other units in the first six months amounted to 670.8 billion yuan, up 18.6 percent over the same 1995 period.

The growth rate was 6.9 percentage points lower than that of last year, as the nation strengthened control over the investment sources and approval of projects.

Some 466.6 billion yuan of the total amount went to the state-owned firms, posting an increase of 19.9 percent over the same period last year.

#### PRC: Statistical Bureau Reports Increase in Individual Income

OW1907040196 Beijing XINHUA in English  
0339 GMT 19 Jul 96

[FBIS Transcribed Text] Beijing, July 19 (XINHUA) — Chinese urban and rural residents enjoyed a sustained increase in their individual income in the first six months of this year, a spokesman for the State Statistics Bureau said during a press conference in Beijing today.

From January to June, urban residents in China earned an average of 2,202 yuan in individual income, up 4.2 percent in real terms.

The average cash income (with production costs included) of rural residents stood at 921 yuan in the six months, an 11 percent increase over the same period in 1995 with inflation adjusted.

#### PRC: Statistical Bureau Releases Retail Sales Figures Jan-Jun

OW1907040296 Beijing XINHUA in English  
0337 GMT 19 Jul 96

[FBIS Transcribed Text] Beijing, July 19 (XINHUA) — The retail sales of consumer goods in the first six months of this year totalled 1143.9 billion yuan, up 13.2 percent in real terms, the State Statistical Bureau spokesman said in Beijing today.

Marked increases were made in such popular market items as large-screen TV sets, imported video-

cameras, automatic washing machines and other high-quality durables, as well as meat, alcoholic drinks and cosmetics.

#### PRC: Decline in Large-, Medium-Sized Retail Enterprises Viewed

OW2207152796 Beijing ZHONGGUO XINWEN SHE in English 1419 GMT 22 Jul 96

[FBIS Transcribed Text] Beijing, July 22 (CNS) — According to mainland economists, the reasons why China's large- and medium-sized retail enterprises is declining in their economic returns lie mainly in the following aspects:

First, too many new department stores are established in some places while the purchasing power in these places remains relatively stable. As a result, these new stores compete with each other all the more fierce, resulting in the decrease of the proportion of each store to the total business volume.

Second, the department stores have not launched any new, popular products that can turn the customers crazy, instead they continue to sell some traditional or common products like electric appliances, foodstuffs and daily sundries. Most households in larger cities already have colour TV sets, refrigerators, washing machines, and foodstuffs and daily sundries are too common goods to make high profit. At present, people are very fond of owning personal computers, but they would rather go to specialised shops rather than department stores for these products.

Third, as the state-owned economy is declining in its economic result, the purchasing power of the general public — the majority of which are employees of those profit-losing state firms — has barely shown any improvement, due to their modest income growth.

Fourth, the scope of people's spending has expanded. In recent two year enterprise employees spend almost 50 per cent of their income in the payment and purchase of different kinds of social securities. [sentence as received] Besides, their income also goes to the purchasing of stocks, state bonds and other securities, as well as to savings deposits.

Fifth, rising decoration costs have pushed up the cost of operation of department stores and accordingly their business turnover and profits diminished.

Sixth, as the taxes on retail enterprises increase, department stores likewise are subject to heavier taxes.

Seventh, incompetent business management of enterprises has resulted in poor utilisation and possibly wastes of their financial resources.

**PRC: Leaders 'Divided' Over Economic Direction**  
OW2007050296 Hong Kong HONG KONG  
STANDARD in English 20 Jul 96 p 1

[By Cary Huang, China Editor]

[FBIS Transcribed Text] Senior Chinese leaders are divided over the major economic direction the country is to take in the coming two years as they gather for an annual meeting in the northeastern resort of Beidaibe starting Monday [22 July].

While Chinese President Jiang Zemin pressed economic planners and officials from the central bank to ease a three-year credit squeeze, other leaders called for continuation of the austere policy masterminded by Vice-Premier Zhu Rongji.

Bankers and officials said until early this month, Mr Zhu and central bank governor Dai Xianglong had talked about the need to continue the austerity policy.

The People's Bank of China recently pledged there would be no relaxation of monetary supply an interest rate cut.

However Mr Dai last week announced a second interest cut was possible this year. While acknowledging the cut did not herald an easing of tight monetary policy, he did say the austerity program had caused a lowering of inflation and set economic growth at a lower but healthier pace.

Officials said they were puzzled by contradictory messages about economic policies from Mr Jiang and Mr Zhu recently.

Sources said Mr Jiang's remarks were aimed at wooing liberal officials from coastal regions who were pressing for a year's relaxation of monetary supply and also to please disgruntled officials from inland provinces where China's ailing state enterprises are located.

The meeting is expected to focus on China's economic developments and financial policy.

**PRC: Official Says Natural Disasters Not To Hinder Growth**

OW2307070396 Beijing XINHUA in English  
0658 GMT 23 Jul 96

[FBIS Transcribed Text] Beijing, July 23 (XINHUA) — China is expected to meet its goals set for economic development this year, despite frequent natural disasters, a senior official said today.

Although some areas in south and east China have been savaged by floods, economic losses have not been very huge compared to previous years, Chen Jinhua, minister

in charge of the State Planning Commission, told a press conference in Beijing.

Torrential rains have caused floods in parts of Guangxi, Guizhou, Hunan, Hubei, Zhejiang and Anhui provinces since June, leaving at least 716 dead, and giving rise to about 40 billion yuan worth of direct losses.

But Chen didn't hold that the disasters will lead to a drop in the nation's grain output, which has been a key factor in the government's effort to curb inflation.

The grain acreage is estimated to be one million hectares more than last year, and supply of farming-related goods has been basically sufficient this year, he said.

The state has also raised official prices for grain purchase, which will boost the peasants' farming enthusiasm, Chen said.

In addition, north and northwest China, where droughts prevailed in past years, has witnessed bumper rainfalls since April, and are expecting an increase in grain yield, he said.

"Generally speaking, China is most likely to fulfill its economic targets this year, barring unexpected severe disasters in the coming months," Chen said.

**PRC: Civil Affairs Minister Notes Losses From Natural Disasters**

OW2007123696 Beijing ZHONGGUO XINWEN SHE  
in English 1200 GMT 20 Jul 96

[FBIS Transcribed Text] Beijing, July 19 (CNS) — According to the Vice-Minister of Civil Affairs Fan Baojun, the numerous natural disasters that have plagued China in the first half of this year have caused economic losses of RMB 71 billion.

In Anhui and Guizhou provinces, where the problems were the most acute, the economic losses were RMB 11.6 billion and RMB 9.8 billion respectively.

In the first half of this year, according to him, 200 million people were affected by droughts, floods, hail, earthquakes, snow and landslides. The natural disasters also affected 35 million hectares of arable land, of which 2.4 million hectares will produce no harvest this year as a result. Some 1.6 million houses collapsed and 4.5 million houses were damaged and 1,875 disaster related deaths were recorded. Water and power supplies, telecommunications, roads and irrigation systems were also seriously damaged.

Mr Fan said that droughts were the first natural disasters to hit the mainland this year. Last winter and this spring, the rainfall in most regions in the whole country was



far lower than normal. Droughts are still continuing in central and western regions.

According to preliminary statistics, the arable land affected by droughts reached 19 million hectares nationwide. More than 8 million people and 2 million animals had inadequate water supplies. The official added that droughts in some parts of Inner Mongolia, Sichuan, Hunan and Jiangxi provinces are very serious at the moment.

The droughts were over quickly in many regions in late June and early July when many provinces received record amounts of rainfall resulting in flooding. The economic losses caused by floods reached RMB 40 billion, and eight provinces were still at risk: Anhui, Guizhou, Zhejiang, Jiangxi, Hubei, Hunan, Guangxi and Jiangsu.

Hail also posed a more serious and widespread threat to many provinces this year than is normal. This year, more than 400 counties in 20 provinces were affected by hail.

**PRC: Minister Reports Good Start to 9th 5-Year Plan**

OW2307084296 Beijing XINHUA in English  
0820 GMT 23 Jul 96

[FBIS Transcribed Text] Beijing, July 23 (XINHUA) — China has witnessed a good beginning to its Ninth Five-Year Plan (1996-2000), with the national economy maintaining a sound development in the first half of this year, a senior official said today.

Chen Jinhua, minister in charge of the State Planning Commission, told a press conference here that during the past six months, China has kept a fast economic growth, while further scaling down inflation, with the balance between social demand and supply improving.

The Gross Domestic Product (GDP) chalked up a 9.8 percent increase to hit 2,975.6 billion yuan in the January-June period, a speed rarely seen in the world, and also basically in line with the nation's present conditions, Chen said.

The retail price index and consumer price index, two indicators measuring inflation, rose 7.1 percent and 9.2 percent, respectively, compared to double-digit levels in the past three years.

The agricultural sector has received a further boost this year, with output of summer grain increasing by 3.5 billion tons to set a new record, and a bumper harvest of early rice within reach.

The industrial added value has kept a steady growth, climbing 13.2 percent to reach 910 billion yuan, with the

product mix being readjusted. The overall performance of state-owned enterprises has also improved to record a slight net profit since May, in comparison to a net loss in the first quarter of this year.

Chen took the growth in demand of investment and consumption as adequate in the past six months. Fixed-asset investments expanded by 12 percent in real terms, and retail sales of consumer goods grew by 13.2 percent in real terms.

As a result of the moderately tight macro-economic control policy, China has recorded a healthy budget condition so far this year, with revenue rising 17.7 percent and expenditure increasing by 15 percent.

Actual overseas investment in China totaled 19.6 billion U.S. dollars in the past six months, up 20 percent over a year ago, while national reserves of foreign exchanges hit a record high of 86.6 billion U.S. dollars.

"The trend of macro-economic development in the first half of this year indicates that the country is most likely to realize its economic goals set for this year, barring unexpected severe natural disasters," Chen said.

**PRC: Situation in Textile Industry Worsening**

HK1907055096 Beijing CHINA DAILY in English  
19 Jul 96 p 5

[By Li Yan: "Textile Sector Hammered by High Costs, Official Says"]

[PTS Transcribed Text for FBIS] The situation in the textile industry is worsening due to rocketing costs, overproduction, inefficient use of labour and out-of-date trading systems for raw materials and foreign trade, a senior industry official said.

Many more enterprises are reporting losses, reduced exports, and growing stocks in the past few months, Wu Wenying, chairman of the China National Textile Council, said at a recent industry conference.

Overall, State firms and those in central textile cities have suffered most, she said.

From January to May, 63 per cent of the 1,130 State-owned textile enterprises in 38 major cities reported losses, up more than 15 percentage points from the same period last year.

Net losses increased 2.02 billion yuan (\$240 million) over last year to 2.42 billion yuan (\$290 million), she said.

As a result, an increasing number of enterprises have stopped operation either partially or totally. In some

cities, more than 60 per cent of textile firms have stopped operation.

Meanwhile, textile and garment exports dropped in the first five months of this year to \$12 billion, down nearly 16 per cent from the same period last year.

Exports of cotton yarn and thread dropped to 49,000 tons, with imports topping 116,000 tons.

However, exports through processing trade continue to grow, now accounting for 53 per cent of total textile exports.

The drop in exports in general is forcing textile enterprises to squeeze into the domestic market.

At the same time, the increase in the processing trade is not healthy for the industry, since most of the exported products are processed with imported raw materials and designs, Wu said.

She attributed the poor situation in the industry to increasing costs and weakening international competitiveness.

Cotton prices on the international market dropped to 75 to 85 cents per pound in this year, but average price on the domestic market is more than \$1, which has decreased the competitiveness of China's textiles.

In addition to the higher costs, the selling prices on both the domestic and international markets have dropped by an average of 2 per cent over last year.

Wu also attributed the slumping condition of the textile industry to excessive production capacity of primary products along with backward technology.

The industry has an excessive capacity of 10 million spindles, resulting in an oversupply of primary and low quality products. But it has few technology-intensive and high quality products to compete internationally.

Furthermore, the textile enterprises are also suffering from low labour efficiency.

In developed countries, 92 workers are needed to handle 10,000 spindles, but China needs 400 workers. The low efficiency has offset the low wages usually considered to be an advantage of China's textile industry, Wu said.

#### **PRC: Water Resource Minister Warns of Serious Water Crisis**

*OW2107131396 Beijing XINHUA in English  
1254 GMT 21 Jul 96*

[FBIS Transcribed Text] Beijing, July 21 (XINHUA) — Chinese people will be unable to drink clean water in the coming two or three decades if no effective measures are taken, a senior government official has warned.

Water shortage and water pollution are becoming a major headache in current and future China, "Science and Technology Daily" cited Minister of Water Resources Niu Maosheng as saying.

Among more than 600 large and medium-sized cities, over half are short of water, and 108 are badly in want of water, the minister said.

China has a total water resource of 2,800 billion cubic meters. The nation's average per capita water availability is about 2,300 cubic meters, while in its nine northern provinces it is only 500 cubic meters.

In Beijing, the average per capita water availability is less than 400 cubic meters, one seventh of the country's average, and one twenty-eighth of the world norm, the newspaper cited Niu as saying.

Water supplies from local reservoirs are far less able to meet the demand. The capital city has to exploit 2.6 to 2.7 billion cubic meters of underground water each year. As a result, the underground water level reduced to 50 meters below the sea level in 1993, from five meters in 1950, and the over-use of underground water has caused subsidence across 2,100 square kilometers, the official said.

Scientists predict that by the year 2010, there will be a lack of one billion cubic meters for industrial and daily water use, the newspaper said.

The average water availability per capita in north China's port city Tianjin is the smallest in the country, amounting for 6.7 percent of the country's average.

In other big cities, like Xian, Taiyuan, Datong, Qingdao, Yantai and Dalian, water has been in short supply for a long time. Water is supplied at regular intervals in many cities, and residents have to get up at midnight to store water.

In the early 1990s, south China's Shenzhen City was badly in need of water. More than 100,000 residents were reported to have had no access to water for a week. In 1995 college students in the city of Xian had to leave school in advance without terminal examinations, because of water shortages.

The newspaper cited the official as saying that droughts are among the problems that have had the greatest influence on the country's agriculture.

More than 20 million hectares of farmland are hit by disastrous droughts every year, and the reduction of grain output caused by droughts in the first four years in the 1990s reached over 3.5 million tons.



Water shortages also threatened the people's lives in some areas where the survival environment is deteriorating with land subsidence and cracks.

Statistics show that China has a water shortage of 30 billion cubic meters for rural areas and six billion cubic meters for urban people. By the year 2000, the country will need at least 60 billion cubic meters more of water.

In addition to water shortages, water pollution has been a major concern for the Chinese government, the official said.

Currently, the country's daily discharge of sewage and polluted water totals more than 100 million tons, and over 80 percent is directly poured into rivers and lakes without any pre-disposal treatment, Niu said.

Among 532 rivers monitored by the ministry, 436 are polluted in various ways, he said, adding that out of 15 sections of the country's seven biggest rivers near major cities, 13 are seriously polluted.

The Huaihe River is known as the only water source in northern Anhui Province, but water pollution has occurred frequently in the area, local residents have become sick, and fish have been poisoned, the official said.

The newspaper cited the minister as saying that the Chinese government has paid close attention to issues of water shortage and pollution, and formulated a range of regulations on water control and supply.

Many projects in water control, sewage disposal, water supply and water safety, have been implemented during the Eighth Five Year Plan (1991-1995), and more are expected to be built in the coming years.

The minister urged governments at all levels to take effective steps to strengthen the management of water resources, halt water pollution and ensure fresh water supplies.

#### PRC: 'Sparkle Plan' To Have 100,000 Projects in 9th 5-Year Plan

OW2007144896 Beijing XINHUA in English  
1431 GMT 20 Jul 96

[FBIS Transcribed Text] Taiyuan, July 20 (XINHUA) — According to a symposium, which opened today in Taiyuan, capital of north China's Shanxi Province, China intends to have a total of 100,000 projects in its "sparkle plan", as well as 100 science- and technology-intensive zones and 300 pillar industrial undertakings, during the country's Ninth Five-year Plan (1996-2000).

The symposium aims to discuss strategic developments of the "sparkle plan", which was first suggested by the Chinese government a decade ago. It was the country's

first attempt at science and technology development in rural parts of China.

By early 1996, those working under the plan had established 127 state-level science- and technology-intensive zone and 217 regional pillar industrial undertakings, carried out 66,700 programs, provided more than 500 types of technology for rural economic development, and trained over 36 million rural people, providing them with various kinds of skills.

#### PRC: Minister on Importance of Mining Industry to Economy

OW2207144196 Beijing XINHUA in English  
1327 GMT 22 Jul 96

[FBIS Transcribed Text] Beijing, July 22 (XINHUA) — The mining industry has become one of the most important basic industries in the development of China's national economy.

According to latest statistics released by the Ministry of Geological and Mineral Resources (MGMR), the output value of the mining industry has risen to almost six percent of the country's total industrial output value.

And the output value generated from the mining industry and the processing of mineral products account for more than one quarter of the country's total industrial output value.

Song Ruixiang, minister of MGMR, said that China has discovered 168 minerals, 151 of which have deposits. The potential value of these deposits ranks third in the world.

A complete mining system has been set up for the development of national economy, Song added.

So far, China has established over 10,000 mines and more than 280,000 collectively-owned or private mines. In addition, 323 oilfields have gone into operation, he said.

The minister went on to say that over 300 cities have been established on the basis of developing mineral resources.

Nationwide, 21 million people are employed by the mining industry, he noted.

In 1994, China's output value of ore extraction increased by 1.16 times that of 1985, while output value of the mining industry increased by 2.3 times. The number of state-owned mining enterprises and other mining enterprises increased by 70 percent and 130 percent, respectively.

The country's mining development scale ranks third in the world, he said.



The Chinese government vowed to exercise stricter supervision over the legal development of mineral resources in the next five years.

**PRC: New Line Breaks Foreign Monopoly on Infant Food**

*OW2307085696 Beijing XINHUA in English  
0836 GMT 23 Jul 96*

[FBIS Transcribed Text] Shanghai, July 23 (XINHUA) — China has broken the monopoly of overseas baby food markets by marketing its first after-weaning food.

Eastwes has gone on sale in Shanghai, the biggest metropolis in China.

Jointly developed by the Shanghai Paediatrics Research Institute and Shanghai Eastwes Company, the product is designed to provide an all-round and balanced nutritional food for infants aged three or four to 18 months.

Professor Wu Shengmei, director of the institute, described the product as the first of its kind developed by Chinese experts and said that it will contribute tremendously to the health of infants and babies.

The Eastwes food series includes meat powder, fish powder, liver powder, egg and yolk powder and yolk powder, made from lean meat, freshwater fish, animal liver, and fresh eggs.

China's infant food market is currently dominated by such famous foreign giants as Heinz, Nestle and other brand names.

Researches have found that the average weight of Chinese infants lags behind that of those in developed countries in Europe and America six months after their births, though the average weight of Chinese infants at the age of three to four months is close to, or exceeds their European and American counterparts.

Experts attributed the discrepancy to a lack of food supplements.

They explained that breast milk cannot provide adequate nutrients for infants over four months, and extra foods are essential, such as corn, eggs, fish, liver and fresh vegetable.

Although many Chinese families are increasingly aware of the necessity, they cannot cook foods appropriate for the infants using corn, eggs, fish, livers and vegetable, the experts said.

**Foreign Trade & Investment**

**PRC: State To Offer Loans, Tax Rebates To Bolster Exports**

*OW2307074996 Beijing XINHUA in English  
0734 GMT 23 Jul 96*

[FBIS Transcribed Text] Beijing, July 23 (XINHUA) — The Chinese government is to take a series of measures aimed at boosting exports in the second half of this year, a senior official said today.

Wang Chunzheng, vice minister of the State Planning Commission, said at a press conference in Beijing that export-oriented enterprises will receive more export credit from the state-owned banks to help stop a decline in exports during the past six months.

"Exporting has a significant bearing on China's economic development and the government will make efforts to speed up procedures of tax rebates and provide necessary loans for those firms," Wang said.

In the first half of this year, China recorded a total foreign trade volume of 127.24 billion U.S. dollars, of which exports amounted for 64.1 billion U.S. dollars, 8.2 percent down from the same period of last year, and imports reached 63.2 billion U.S. dollars, up 11 percent.

In order to expand exports, enterprises should concentrate on improving the quality and competitiveness of their products, Wang said.

The product mix of export-oriented firms should be readjusted, and new markets should be created in addition to traditional markets, he said.

Meanwhile, the government will adopt measures favorable to those firms in accordance with common practices in international trade, mainly in tax rebates and bank lending, he said.

During the past two months China has already seen a gradual acceleration in export growth.

"The overall situation of our foreign trade is good at present, and I expect a further expansion in the second half of this year," Wang said.

**PRC: Shanghai Mayor Meets Japanese Convenience Store Operators**

*OW1907130596 Shanghai People's Radio Network  
in Mandarin 2300 GMT 18 Jul 96*

[From the "990 Morning News" program]

[FBIS Translated] On 18 July, Shanghai Mayor Xu Kuangdi and Vice Mayor Meng Jianzhu met with Mr. Isao Nakauchi, chairman of the Japan-based Daiei Inc.

and vice chairman of Keidanren [the Japan Federation of Economic Organizations], and his delegation.

Mr. Isao Nakauchi made a special trip to Shanghai to attend a ceremony marking the opening of Hualian Lawson convenience stores — a joint venture between Lawson Inc. and the Hualian group — on the morning of 19 July.

**PRC: Hainan's Laocheng Development Zone Seeking Investment**

OW1907023496 Beijing XINHUA in English  
0226 GMT 19 Jul 96

[FBIS Transcribed Text] Haikou, July 19 (XINHUA) — The Development Zone of Laocheng (Old Town Site), on the island province of Hainan, is attracting investments at a fever pitch.

The Hainan Port Office, located in the suburbs of this island capital, is working in cooperation with a Canadian company to build two ports for 35,000 dwt ships and two ports for 10,000 dwt ships, that are aimed at promoting the zone's development.

The Jinxin Holiday Resort, funded by a joint investment from Singaporean and Chinese companies, will be completed in the zone at the end of this year.

Over the past eight years, the Laocheng Development Zone has worked to improve its investment environment. Six ports have been built, and 1,000 program-controlled telephones put into use. In addition, another 10,000 program-controlled telephones will be installed.

A 100-km-long thermal power plant with a capacity of 400,000 kilowatts has been finished, and a 60-meter-wide highway has been put through in the zone.

To date, 50 projects with a total investment of 3.2 billion yuan (about 386 million US dollars) have been launched in the zone. Of these, 25 projects have been completed, which are capable of producing a combined output value of 2.5 billion yuan (about 301 million US dollars) annually.

**Agriculture**

**PRC: Commentator Stresses Agricultural, Rural Work**

HK1907083096 Beijing RENMIN RIBAO in Chinese  
15 Jul 96 p 1

[Commentator's article: "Continue To Unswervingly Make Great Efforts To Agriculture"]

[PTS Translated Text for FBIS] On an inspection tour of agricultural and rural work in Henan, General Secretary Jiang Zemin delivered an important speech, which has

immediate objectives and is an important document guiding agricultural and rural work both at present and in the future. Conscientiously studying Comrade Jiang

Zemin's important speech is of great guiding significance to further increasing a common understanding of the entire party and nation and in doing a good job in agricultural and rural work.

The most important thing in studying Comrade Jiang Zemin's important speech is that the party must further understand fully the special importance of agricultural and rural work, persistently give top priority to agriculture in national economy, and do a good job of it.

Giving top priority to agriculture in economic work is the consistent guiding ideas of the CPC Central Committee with Comrade Jiang Zemin as the core. The CPC Central Committee has repeatedly stressed the special importance of agriculture in light of China's specific conditions. With a huge population but with limited land, China can only rely on itself at all times to resolve the food problem for its 1.2 billion people. In addition, China is an agricultural country, with 80 percent of its population in rural areas, and this is a basic national condition that cannot be ignored at any time. If peasants are not comfortably well off, nor will the country be well off. If rural areas are not stable, nor will the whole country be. Without rural modernization, national modernization will be out of the question. Neither agricultural nor rural work is an isolated task because they have a bearing on the development of the national economy, on overall social progress and stability, and on whether China will be able to maintain independence and keep the initiative in international economic competition and political contests. This is what the "special" importance of agricultural and rural work means. This is not only an economic question but also a political one that has an important bearing on China, and we must not overlook it at any time.

China is currently in the crucial period of rapid industrial development and of the transformation of economic structure. Under this specific situation, agriculture is often easily overlooked. For this reason, the CPC Central Committee has repeatedly and promptly sounded a warning, and one may well say that it has showed great foresight. In the course of accelerating industrialization, certain localities indeed neglected agriculture, the misuse of farmland, environmental protection, and other problems, resulting in a drop in grain production. This is a profound lesson. In the transition from a planned economy structure to a socialist market economy one, agriculture is often in an unfavorable position in market competition due to its comparatively low interest and other factors. Thus, special attention and protection



should be given to agriculture. At this crucial moment, it is essential for General Secretary Jiang Zemin and the CPC Central Committee to repeatedly and promptly remind the entire party to further understand the special importance of agricultural and rural work. Both large agricultural provinces and developed coastal provinces should adopt an overall and strategic viewpoint to gain a new understanding of the special importance of agricultural and rural work anew and genuinely give priority to agriculture in economic work. The whole party, particularly leading cadres at all levels, should always bear Comrade Deng Xiaoping's instruction in mind: "If agriculture goes wrong and has not been revived for many years, the overall economic and social development will be seriously affected."

When studying Comrade Jiang Zemin's speech, we should fully understand it, stress the essentials, and strive for substantial results. At present, it is necessary to properly resolve the following problems: We should understand in depth that under the national conditions of a large population and limited land, developing the integrated operation of trade, industry, and agriculture will be of great significance to increasing the peasants' income and to achieving the goal of comfortably well-off rural areas. We should sum up the experience in promoting the industrial operation of agriculture; understand in depth that deepening rural reform is of importance to ensuring the sustained growth of agriculture and the rural economy; further increase our awareness of reform; concentrate efforts on the building of an operational structure and a market system as well as the reform of an agricultural support and protection system; actively change the mode of agricultural growth by implementing the strategy of invigorating agriculture through science and education; strive to raise the utilization rate of agricultural resources; increase the application of science and technology for agricultural growth; improve the quality of agricultural laborers; carry out the strategy of sustained growth; pay attention to optimizing ecology; improve conditions for agricultural production; and make unremitting efforts to farmland capital construction and water conservancy projects. We must be determined to tackle the problems of an excessively heavy burden and its rebound on the peasants and should earnestly safeguard the peasants' initiative. While attaching importance to the construction of material civilization, we should pay special attention to the building of spiritual civilization, a democratic legal system, and grass-roots organizations in rural areas in order to promote overall economic and social progress in rural areas.

Overall, China's agricultural situation is good this year. A good summer harvest is in sight and its grain

output is expected to exceed last year's, while crops for autumn harvesting are doing fairly well. With a good agricultural situation, inflationary pressures will also ease. But past experience has demonstrated that the better the agricultural situation is, the more easily agriculture is overlooked. Hence, we must be more sober-minded and be better able to discover deep-rooted contradictions in agricultural and rural work as the situation gets better. Comrade Jiang Zemin's important speech on agricultural and rural work has provided a turning point for us to further increase our common understanding and to do a good job in agricultural and rural work. We must conscientiously study and understand in depth Comrade Jiang

Zemin's important speech and must take it as a guide to creatively do a good job in agricultural and rural work in various localities so that agriculture is of "special" importance not only in mind but also in practice.

#### **PRC: Income of Jiangsu Farmers Increases to 1,639 Yuan**

*OW2307035896 Beijing XINHUA in English  
0304 GMT 23 Jul 96*

[FBIS Transcribed Text] Nanjing, July 23 (XINHUA) — The average income of farmers in east China's Jiangsu Province rose to 1,639 yuan (about 197 US dollars) in the first half of this year, 38.5 percent over the same period last year, latest statistics show.

Adjusted for inflation, their incomes in this period actually increased by 27.6 percent.

During the period, farmers' earnings from jobs in enterprises or government agencies averaged 743 yuan, up 44 percent. But their earnings from employment in family businesses reached 773 yuan, up only 31 percent.

Farmers earned more than 192 yuan from planting, up 44 percent over the corresponding period last year, but their incomes from the development of forestry, animal husbandry and fishing industries and the manufacture of handicrafts have all dropped to varying extent.

#### **PRC: Official on Policy To Reject New Tobacco Joint Ventures**

*OW2207090396 Beijing XINHUA in English  
0849 GMT 22 Jul 96*

[FBIS Transcribed Text] Beijing, July 22 (XINHUA) — The Chinese government has decided not to approve the establishment of any foreign-funded enterprises in the tobacco industry in the next five years.

The State Tobacco Monopoly Bureau said that China will not launch any new Sino-foreign joint ventures in



production of cigarettes and filters, as well as tobacco processing, during the state's Ninth Five-year Plan period (1996-2000).

But the industry will continue to conduct technological cooperation with foreign manufacturers, bureau officials said.

The decision has been made in accordance with the fact that supply and demand has been basically balanced on domestic market, officials said.

Annual production of cigarettes is expected to be 36.5 million cases by the year 2000, an increase of just 5.1 percent over 1995.

The government will focus on rectifying the order of the tobacco market and curbing illegal operations in the industry, officials said.

**PRC: Agriculture Ministry: Rural Industrial Output Up**

OW2007135496 Beijing XINHUA in English  
1332 GMT 20 Jul 96

[FBIS Transcribed Text] Nanjing, July 20 (XINHUA) — The output value of China's rural and township industries was 354 billion yuan (about 44 billion U.S. dollars) during the January-June period this year, up 25 percent from the same period of 1995.

The figures from the Ministry of Agriculture show that rural industries in 10 provinces and regions in central China increased by 35 percent, relatively faster than those in western areas.

They also said that there are 4,531 large and medium-size rural and township enterprises in China, and in some regions up to 72 percent of farmers' per capita income is from profits of rural firms.

Exports of the enterprises, however, dropped by 40 percent in the first half from the same period of last year, representing the sharpest decrease in recent years.

And 7.6 percent of rural enterprises are running in the red.

According to the ministry, China will hold a high-level national conference this October to set development goals for rural and township industries in the coming 15 years.

Officials forecast stable development for the sector over the next two years, and, starting from the second half of 1998, rural and township industries will see some new changes.

**PRC: Ministry Reports Fertilizer Output Up Jan-Jun**

OW1907022596 Beijing XINHUA in English  
0206 GMT 19 Jul 96

[FBIS Transcribed Text] Beijing, July 19 (XINHUA) — China produced 62.62 million tons of fertilizer in the first half of this year, 11 percent over the same period last year, according to the Ministry of Chemical Industry.

However, the ratio of sales to production is low, and fertilizer inventories have risen to more than 23 million tons this year, up 55.9 percent from same period last year.

Imports of fertilizer have also risen to seven million tons, an increase of 7.4 percent over the corresponding period in 1995, ministry sources said.

Fertilizer is pivotal to successful grain production. The Chinese government has given priority to production and adequate supply of fertilizer to farmers, as a major means of bolstering agricultural production and raising grain output.

To control the soaring prices, the government is working out procedures to set ceilings on prices of chemical fertilizer in order to protect the farmers' interests.

**East Region****PRC: Fujian CPC Holds Plenary Session**

OW1407114096 Fuzhou FUJIAN RIBAO in Chinese  
26 Jun 96 p 1

[Report by FUJIAN RIBAO reporters Huang Shihong (7806 3769 3163) and Li Shi (2621 4258): "The Second Plenary (Enlarged) Session of the Sixth Fujian Provincial CPC Committee Opens; Jia Qinglin Chairs and Delivers Opening Speech; Lin Zhaoxu Gives Report on Party Building Work"]

[FBIS Translated Excerpt] The Second Plenary (Enlarged) Session of the Sixth Fujian Provincial CPC Committee opened in Fuzhou on the morning of 25 June. This session's primary task is to earnestly sum up the experience the province has gained in party building since the Fourth Plenary Session of the 14th CPC Central Committee, analyze the new situation and problems encountered in party building under the new circumstances, and study and plan the province's party building tasks for the future.

Provincial party committee members attended the session. Alternate members of the provincial party committee; members of the provincial discipline inspection commission; responsible comrades of the provincial people's congress, government, Chinese People's Political Consultative Conference [CPPCC] committee; and principal responsible comrades of various prefectures, cities, counties, colleges, and mass organizations observed the session. Jia Qinglin, Chen Mingyi, He Shaochuan, Xi Jinping; Lin Zhaoxu, Zhao Xuemin, Shi Zhaobin, Chen Yingguan, Huang Songlu, Liang Qiping, Huang Ruilin (7806 3843 7207), and Zhang Jiajun, members of the provincial party committee standing committee, attended the session and were seated on the rostrum.

Provincial Secretary Jia Qinglin chaired the session and gave the opening speech. He said: In reviewing the course of the journey we have traveled these years, we are glad to observe that every single victory the province has achieved in reform, opening up, and modernization is inseparable from our efforts in upholding party leadership and strengthening party building. Thanks to the joint efforts of party organizations at all levels and the vast number of party members, we have achieved notable success and gained experience in party building, brought our economic work to a new stage, and made new progress in reform and opening up. Our party building has entered a new threshold. [passage omitted]

On behalf of the provincial party committee standing committee, Deputy Secretary Lin Zhaoxu delivered a report entitled, "Work Hard To Create a New Situation

in the Province's Party Building Work To Provide Political Safeguards for the Realization of the Ninth Five-Year Plan." In the report, he first reviewed the notable success and basic experience the province has achieved in recent years. He then said: The next five years will be an important period in our province's drive to push forward reform, opening up, and modernization and to carry forward the cause pioneered by our predecessors. The party and party members hold the key to accomplishing the cross-century strategic goal and tasks. Party committees at all levels must fully recognize the utmost importance of party building from a strategic and overall perspective, strive to develop a leadership structure and work mechanism for party building, study and resolve prominent problems in party building with a reformist spirit, strengthen the building of a contingent of cadres dedicated to party affairs, fully mobilize the initiative and creativity of the vast numbers of party affairs cadres, comprehensively push forward the new great endeavor, and earnestly implement Fujian's party building plan in the Ninth Five-Year Plan to provide a strong safeguard for smoothly accomplishing the Ninth Five-Year Plan and the Long-Term Targets for 2010.

Lin Zhaoxu said: At present, Fujian must focus on the following tasks in party building: We must continue to arm the entire party with Deng Xiaoping's theory of building socialism with Chinese characteristics and deepen and broaden theoretical study. We must focus on ideological-political building, strive to raise our party cadres' ideological-political standards, uphold the correct political orientation, strengthen our communist idealism and faith, uphold the party's mass viewpoint and line, adhere to democratic centralism, safeguard the party Central Committee's authority, and uphold and carry forward the ideology and workstyle of seeking truth from facts. He emphatically pointed out: What merits our particular attention at present is that among some leading cadres, the phenomena characterized by weak mass viewpoint, a lack of strong feelings toward the masses, and failure to take the mass line in work have been quite acute for some time. Some comrades take a high stance above the masses. They act like high officials and overbearing bureaucrats, showing no concern for the masses' well-being and refusing to serve them. Some refuse to immerse themselves among the masses, to consult with them, or to study problems that the masses keenly want resolved. Some even turn a deaf ear to the masses' voice or criticism. Some failed to keep in mind the interests of the masses and even abused their authority to ride roughshod over the masses and infringed on their interests. In some localities and departments, bureaucratism, formalism, and commandism were quite serious, with the result that relations between cadres and masses are tense. These



phenomena, although existing only in a few localities, are quite dangerous if we allow them to develop. We must be determined to resolve these problems. He said: At present, we must step up our efforts to cultivate and promote leading cadres with political awareness and professional competency, take additional steps to increase the vitality of our leading bodies and cadres ranks, further emancipate the mind, make an extra effort to train and promote outstanding young cadres, raise the standards of our leading cadres in an all-round way, and enhance their ability to command the overall situation. We must carry out the in-depth reform of our cadres system and strengthen their macromanagement. We must lay a strong foundation for party work by comprehensively strengthening the building of grassroots organizations. We must relentlessly strengthen the building of party style and clean government; carry out the anticorruption struggle in a protracted, profound way; and push forward the new great endeavor in an all-round way to usher in a dynamic, vigorous Fujian to the 21st century.

**PRC: Fujian Governor Speaks on 3d-Stage Strike-Hard Campaign**

*OW2207010896 Fuzhou Fujian People's Radio Network in Mandarin 2300 GMT 18 Jul 96*

[FBIS Translated Text] The third meeting on the province-wide strike-hard [anti-crime campaign] work ended in Fuzhou the day before yesterday [17 July]. Deputy Provincial Party Secretary and Governor Chen Mingyi made a keynote speech at the meeting, calling on all levels of party committees and governments and all departments concerned to further strengthen their leadership, to mobilize and rely on the strength of the whole society to jointly fight the third strike-hard struggle well and to continue to launch the strike-hard struggle in an in-depth manner and on a long-term basis.

Vice Governor Tong Wanheng presided over the meeting. Huang Songlu, member of the provincial party committee standing committee and secretary of the politics and law commission and chairman of the provincial committee for the comprehensive management of social security, delivered a report on the strike-hard work, summed up the major achievements and experiences scored in the first two struggles of the province-wide strike-hard struggle, analyzed the existing problems and the current situation of the strike-hard struggle, and made arrangements for the strike-hard drive at the next stage.

According to the provincial party committee's requirements, in Fujian's third strike-hard struggle, we must continue to focus on three key points; namely, dealing

a blow to robbery, tracking down gangs, and capturing criminals at large. Greater efforts should be made to track down gangs, to mete out severe punishment to criminals, to restore order in key areas, and to tackle outstanding social order problems. Major operations will be launched against [word indistinct], drug-trafficking, robbery, and pornography and prostitution.

In his speech, Chen Mingyi pointed out that the third strike-hard battle is a deepened continuation of the previous two battles and a decisive one which is going to decide whether or not the strike-hard struggle will succeed. All levels of departments concerned must mobilize the masses in an extensive and in-depth manner and give full play to the functional role of procuratorial and judicial departments. Meanwhile, all kinds of forces in society must be organized to jointly fight the battle well.

Chen Mingyi pointed out: To tackle the problems of social order once and for all, we must resolutely enforce comprehensive management. On the one hand, we must pay close attention to the primary link in comprehensive management and carry out the strike-hard struggle in an in-depth manner and on a long-term basis. On the other, we must deal with outstanding issues exposed by the strike-hard struggle, such as management, prevention, and education, and take appropriate measures to plug up loopholes and to put every comprehensive management measure into effect.

Chen Mingyi went on to say: The quality of the procuratorial-judicial contingent certainly has a bearing on the success of the strike-hard struggle and the comprehensive management of social order. We must make strenuous efforts to enforce strict control over the police and to build up a high-quality procuratorial-judicial contingent.

Chen Mingyi stressed: All levels of departments concerned, particularly party and government leaders who are first in command, must conscientiously assume responsibility and further strengthen their leadership over the strike-hard struggle so as to constantly deepen the strike-hard struggle in Fujian and to advance the comprehensive management of social order to a new stage.

**PRC: Fujian Registers Revenue of 10 Billion RMB Jan-Jun**

*OW1907001896 Beijing ZHONGGUO XINWEN SHE in English 2327 GMT 18 Jul 96*

[FBIS Transcribed Text] Fuzhou, July 18 (CNS) — According to Fujian's first-half budget report, the province's gross revenue reached RMB 10.35 billion in the first six months of 1996 year, posting a gain



of RMB 1.66 billion or 19.2 per cent over the same period last year.

The report, submitted to the 24th session of the Standing Committee of Fujian People's Congress, revealed that the province observed the tight fiscal policy set by the central authorities while at the same time concentrating its financial resources on the key projects laid down in its budget.

More than half of the funds available for project investment have already been committed, to projects such as the Changle International Airport, expressway projects, flood control works and agricultural diversification schemes.

The province's financial department also lent strong support to economic development during the first half of this year, arranging working capital of RMB 730 million for agriculture, foreign trade and industrial renovation.

#### **PRC: Party Secretary Urges Combating Activities That Shake Stability**

*OW2207125296 Nanjing XINHUA RIBAO in Chinese 30 Jun 96 p 1*

[Report by Shen Zuxuan (3088 4371 6513) and Liu Shoutong (0491 1108 2717): "The provincial party committee holds a commendation meeting in Nanjing to commend 100 advanced grass-roots party organizations and 300 outstanding party members; Chen Huanyou delivers an important speech; Zheng Silin reads aloud the commendation decision"]

[FBIS Translated Excerpt] A provincial meeting to commend advanced grass-roots party organizations and outstanding party members was solemnly held in Nanjing on the afternoon of 29 June. The provincial party committee commended 100 advanced grass-roots party organizations and 300 outstanding party members. [passage omitted] Provincial leaders, including Chen Huanyou, Zheng Silin, Cao Keming, Gu Hao, Xu Zhonglin, Shen Daren, Sun Han, Zheng Bingqing, Ji Yunshi, Yu Xingde, Wang Xialin, and Liang Baohua, attended the meeting. [passage omitted]

Chen Huanyou, secretary of the provincial party committee, delivered an important speech. On behalf of the provincial party committee, he first extended warm congratulations to the commended advanced grass-roots party organizations and outstanding individuals. [passage omitted]

He pointed out: In recent years, under the guidance of the Comrade Deng Xiaoping theory of building socialism with Chinese characteristics and the party's basic line and under the leadership of the party Central Committee with Comrade Jiang Zemin as the core,

grass-roots party organizations and party members on all fronts throughout the province have persisted in making economic construction the central task, focused on the party's general task — "seizing the opportunity, intensifying reform, opening China wider to the outside world, promoting progress, and maintaining stability" — and working hard in a practical and pioneering way, thus making great contributions to strengthening party building and promoting reform, opening up to the outside world, and the building of the two civilizations. [passage omitted]

Chen Huanyou called on party members and cadres at all levels in the province to strive to carry out the following tasks: 1) They must implement the party's basic line in an all-around way and lead the people in fulfilling the set objectives. They must uphold the principles of "one center, two basic points" and "grasping two links and giving equal importance to both." [passage omitted] 2) They must always adhere to the correct political orientation and maintain a resolute political stand. [passage omitted] 3) They must temper themselves in party spirit and consciously transform their world outlook. [passage omitted] 4) They must strive to acquire professional knowledge and do a good job at their work posts. [passage omitted] 5) They must set an example in safeguarding unity and promoting stability. They must bear the overall interest in mind, place the party's interests above all else, and work together to accomplish their tasks. They must observe discipline and laws, set good examples for others to follow, and struggle against all phenomena and criminal activities that affect social stability. He called on party members throughout the province, under the guidance of the Comrade Deng Xiaoping theory of building socialism with Chinese characteristics and the party's basic line and under the leadership of the party Central Committee with Comrade Jiang Zemin as the core, to work hard with one heart and one mind to fulfill the grand objective of modernization set by the provincial party committee so as to win honor for the party.

#### **PRC: Former Nanjin Vice Mayor Faces Bribery Charges**

*OW1707013696 Beijing ZHONGGUO XINWEN SHE in English 2313 GMT 16 Jul 96*

[FBIS Transcribed Text] Nanjing, July 16 (CNS) — Nanjing's former vice-mayor, Zhong Yuhui, has been accused by the local prosecutors with offences of negligence in public office, bribery and possession of undeclared income. Zhong is due to answer to the charges in court.

Zhong, 54, was born in Sichuan Province and is a university graduate. According to the charge sheet, it

is alleged that Zhong, during his tenure as vice-mayor of Nanjing, defied the central government's direction by enlarging the business scope of a state-owned futures company without lawful authority. The company subsequently suffered huge financial losses.

In addition, he has been accused of exploiting his official capacity, receiving RMB [renminbi] 400,000 in bribes and considerable assets, for which he gave no plausible explanation as to their source.

Zhong was first detained for questioning on 27 October 1995 and was formally arrested on 6 November. He was finally charged after a lengthy investigation period.

**PRC: Heavy Rains Push Water Beyond 'Danger Level' in Nanjing**

OW1807065396 Beijing XINHUA in English  
0646 GMT 18 Jul 96

[FBIS Transcribed Text] Nanjing, July 18 (XINHUA) — Heavy rains over the past month pushed the water level in China's longest river to 9.8 meters, 1.3 meters above the danger level, at Xiaguan, in Nanjing, capital of east China's Jiangsu Province, Wednesday [17 July].

Torrential rains have pounded the area since the rainy season set in from June 3, with the volume of precipitation three times that of the same period in normal years.

On July 15 and 17, the water flow rose from 65,000 cubic meters per second to 70,000, where ordinary flow during the same period in normal years is only 20,000 cubic meters.

The water level rose by 0.68 meters to 9.8 meters at Xiaguan today, its third highest level since records have been kept. It is predicted that with surges in the river the water level will continue to rise, posing a threat to dykes, cities, and townships along the river.

About 1.1 million people from seven cities including Nanjing, Zhenjiang and Yangzhou along the river have been called up for flood-relief efforts and involved themselves in flood control work, repairing more than 20 vulnerable sites on the dykes, and 550,000 gunny sacks, over one million cubic meters of timber, and some 160 tons of diesel have been collected for the rescue work.

Moreover, more than 500 officials at various levels have been selected to direct flood control work at the frontlines.

**PRC: Shandong Handles Party, Administrative Discipline Cases**

SK1207054896 Jinan DAZHONG RIBAO in Chinese  
27 Jun 96 p 1

[FBIS Translated Text] It was learned from the provincial conference on investigation of discipline cases and supervision held in Jinan on 27 June that since last year discipline inspectors and supervisors at all levels in the province have strictly investigated and handled cases on law and discipline violations in close connection with the overall situation of reform, development, and stability. As of the end of May, the province as a whole had accepted 127,295 cases reported by the people, filed 13,724 cases for investigation, and punished 7,995 people in line with party discipline and 2,948 people in line with administrative discipline.

Last year Shandong Province filed 1,554 major and appalling cases for investigation, an increase of 16.1 percent over the previous year. During the first five months of this year, it filed 733 major cases for investigation. Since 1995, 959 party and government office cadres have received party disciplinary sanctions, and 692 have received administrative disciplinary sanctions. The provincial discipline inspection commission and the provincial supervision department have filed 17 cases involving cadres of prefectural department level for investigation. Since the beginning of the year, they have also filed five cases involving investigating cadres at the prefectural department level. Last year 275 cases involving cadres at the county section level were filed for investigation, an increase of 12.2 percent over the same period in 1994. During the first five months of 1996, the province as a whole filed 103 cases for investigation involving cadres at the county section level, representing an increase of 19.8 percent over the same period last year. Since last year, 2,028 cases involving cadres at the township section level and 4,790 cases involving ordinary cadres have been investigated and handled. Last year the number of cases involving cadres at or below the township section level investigated and handled by the province increased by 8.4 percent over the previous year, and the number of such cases handled in the first five months of this year increased by 10.7 percent over the same period last year.

Last year Shandong Province filed 5,291 economic cases of various descriptions for investigation, accounting for 53.7 percent of the total number of cases on record. Since the beginning of this year, all levels have investigated and handled 2,274 economic cases, up 29.9 percent over the same period last year. Of this, 1,637 were economic cases involving more than 10,000 yuan each, accounting for 21.6 percent of



economic cases. All levels have also investigated and handled a number of cases dealing with tax evasion and cheating and some cases in the capital construction and foreign trade sectors. Since last year, the whole province investigated and handled 1,176 cases of dereliction of duty, accounting for 8.6 percent of the total number of cases put on record. Along with deepening the anticorruption struggle, all levels have also investigated and handled a number of cases on leading cadres violating the regulations on honesty and self-discipline. Of the cases investigated and handled, there was an increase in the number of corruption cases involving party members and cadres. Last year 624 cases of this kind were handled, an increase of 4.7 percent over the previous year; since the beginning of this year 226 cases of this kind have been investigated and handled, an increase of 68.4 percent over the same period last year. Party and administrative disciplinary sanctions were handed down against 217 people on the grounds of moral degeneration or leading a dissolute life. Zaozhuang and Jinan investigated and handled two major cases on prostitution, involving more than 150 people. Eight section-level cadres and more than 20 department-level cadres involved in the cases were strictly dealt with.

**PRC: Shandong Governor Speaks on Reforming County Economy**

*SK1907052096 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 18 Jul 96*

[FBIS Translated Text] At the provincial meeting on reform of the county economy, Li Chunting, deputy secretary of the provincial party committee and provincial governor, stressed that it is imperative to study and carry out in an in-depth manner the spirit of the two speeches by General Secretary Jiang Zemin regarding state-owned enterprises; further emancipate our minds; accelerate reform of Shandong's county economy and state-owned large and medium-sized enterprises; and lay a foundation for basically establishing a socialist modern enterprise system by the turn of the century.

The provincial meeting on reforming the county economy was held from 16 to 18 July in Jining city. During the meeting, attendees inspected some Jining city enterprises. More than 20 units gave speeches on typical examples or exchanged written reports. Attending the meeting were Song Fatang, deputy secretary of provincial party committee and vice governor; Ma Zhizhong, vice chairman of the provincial people's congress; Han Yuqin, vice governor; and Li Diankui, vice chairman of the provincial Chinese People's Consultative Conference.

Li Chunting held: The reform of the county economy has reached the most crucial stage. All levels should, in light of the requirements of establishing a modern enterprise system, change from stressing system transformation to stressing reform, reorganization, and strengthening management. All this should be promoted in a comprehensive manner, to promote the overall quality of enterprises. County enterprises can thus become legal entities and the mainstay of market competition in real terms, which conforms to the needs of developing the market economy.

When promoting reform of county enterprises, we should first pay attention not only to system innovation but also to standardization and perfection. Second, we should focus on strengthening development vitality and reinforcing the transformation of the mechanism. Third, we should become market oriented to consolidate the flow and reorganization of existing capital goods. Fourth, we should implement measures to improve the overall quality of county enterprises.

Li Chunting emphasized: In the economic reform of the whole province, we should give priority to state-owned large and medium-sized enterprises when continuing to deregulate and revitalize state-owned small enterprises; and strive to make most enterprises establish a modern enterprise system and obtain conspicuous progress in production within two or three years.

To achieve success in reforming state-owned enterprises, we should pay attention to experimenting with implementing the modern enterprise system; accelerate the transformation to a company system; continue to promote the three reforms in labor, personnel, and distribution; and explore an effective supervision and management system for state-owned assets.

It is imperative to increase the momentum for the technological transformation of enterprises so as to upgrade enterprises' ability to explore their skill and products.

In the mean time, we should adhere to the principle of combination, government giving support, assuming responsibilities level by level, and giving priority to superior and strong enterprises. Thus, we can develop large-scale companies and syndicates, and promote enterprise mergers. Besides, we should stipulate more preferential policies to deepen reform. It is imperative to speed up supporting reforms in order to establish a good environment for enterprise reform.



### Central-South Region

#### PRC: Guangdong Official on Guidelines for Antipiracy, IPR Work

OW1406021396 Guangzhou NANFANG RIBAO  
in Chinese 4 Jun 96 p 1

[By reporter Pan Miaoxian (3382 1181 6343) and correspondent Wu Yihong (0702 5030 1347)]

[FBIS Translated Text] Guangdong held a provincial work meeting on cracking down on pornography and illegal publications and protecting intellectual property rights [IPR] in Guangzhou on the afternoon of 3 June.

Lu Zhonghe, deputy head of the provincial leading group for cracking down on pornography and illegal publications, standing committee member of the provincial party committee, and vice governor, presided over the meeting. On behalf of the provincial party committee, government, and the leading provincial group for cracking down on pornography and illegal publications, Huang Huahua, the head of the provincial group for cracking down on pornography and illegal publications and deputy secretary of the provincial party committee, conveyed the instructions of the party central committee, the State Council, and relevant departments of the central authorities on cracking down on pornography and illegal publications and IPR protection. Li Lanfang, vice head of the provincial leading group for cracking down on pornography and illegal publications, vice governor, and director of the provincial commission for social and cultural administration, conveyed the guidelines of the seventh national teleconference on cracking down on pornography and illegal publications and the national meeting on tasks governing audio and video product markets. In accordance with relevant guidelines of the central authorities and taking into account Guangdong's actual conditions, the meeting studied and arranged tasks for the province to further crack down on pornography and illegal publications and to protect IPR.

Attending the meeting were over 90 people, including Yu Youjun, vice head of the provincial leading group for cracking down on pornography and illegal publications, standing committee member of the provincial party committee, and director of the provincial party committee propaganda department; and key responsible figures from leading groups for cracking down on pornography and illegal publications, and commissions for social and cultural administration from various cities.

Huang Huahua stressed in his speech: While conducting the crackdown drive, we should pay special attention to properly protecting IPR. While resolutely boycotting the infiltration of capitalist, reactionary, and pornographic culture, we must continue to severely crack down on

copyright infringement and piracy. We should list the destruction of secret lairs that produce and sell pirated products as part of the crackdown tasks. We should conduct a thorough clean-up and cleanse one and all of these secret lairs.

Huang Huahua stressed particularly: In light of safeguarding the legal system and the spiritual construction drive, leaders at various levels should realize the damage from copyright infringement and piracy acts and the necessity for cracking down on pornography and illegal publications and protecting IPR. Furthermore, they must also soberly understand the situation; understand the important significance of the tasks by proceeding from safeguarding China's national fundamental interests and protecting its favorable social environment for reform and opening up so that China can successfully carry out the modernization drive; take a resolute stance; make decisive moves; earnestly shoulder the responsibility to protect the native land; and effectively carry out the tasks on cracking down on pornography and illegal publications and protecting IPR in their own localities so that the central authorities will have peace of mind and the masses will be satisfied.

In her speech, Li Lanfang reviewed Guangdong's work on cracking down on pornography and illegal publications and protecting IPR from last winter to this spring. She pointed out: Since launching the massive crackdown drive across the province in September 1995, Guangdong has attained preliminary results in rectifying both the symptoms and the root causes and accomplished the expected objectives: It has cleansed audio and video products' markets, totally closed down all laser disk-playing centers, investigated and handled a number of major and important cases, and promptly sent and stationed supervisors at 19 CD-producing factories across the province. However, many problems still exist: Pirated and illegal audio and video products still appear on the wholesale, retail, disk-renting, and disk-showing markets. Illegal activities, including commercial shows of stories from CD-ROM's, have popped up in some localities. Some other localities have yet to successfully ban activities involving the production, marketing, and distribution of pornography.

Li Lanfang said: The provincial party committee and government decided that in the next seven months — in addition to comprehensively administering of audio and video products' markets during the months of June, July, and August — Guangdong will, with concerted efforts, launch an extensive and fierce crackdown on pornography and illegal publications; and make special efforts to crack down on criminal activities, including copyright infringement and piracy of audio and video products, and the production and selling of pornography.

Additionally, Guangdong will, in accordance with the law, investigate, punish, and close down production factories that are involved in copyright infringement and piracy acts; rectify the order of operations on the audio and video product markets; and protect IPR. While carrying out the joint crackdown, we should further implement the leadership and department responsibility system; strengthen administration over transport and distribution links; resolutely ban distribution centers that continually deal in illegal audio and video products despite repeated rectifications; thoroughly rectify the wholesaling and retailing of audio and video products on miscellaneous commodities wholesale markets, markets of home appliances, and electronic technology markets; and strengthen regular management over them.

**PRC: Guangdong Hitting Hard on Piracy**

*OW1406154996 Beijing ZHONGGUO XINWEN SHE in English 1432 GMT 14 Jun 96*

[FBIS Transcribed Text] Guangzhou, June 14 (CNS) — To echo with the Central Government's order to exert protection of intellectual property rights, Guangdong is carrying out a province-wide campaign to tackle pirated audio and visual products.

The campaign is valued highly by senior party and provincial government officials who have personally gone to Guangzhou, Shenzhen, Shantou, Chaoyang, Jieyang, Shanwei and Huizhou to supervise the anti-piracy operations.

Accordingly, ad hoc inspection teams have been formed to work alongside the concerned local government bureaux and they have been instrumental in raiding 45,000 black-spots, including production houses, warehouses and retail outlets, seizing 1.9 million pirated audio and visual products. Also, on a regular basis, inspectors are stationed in the factories to monitor the production processes in order to eliminate unauthorized re-production.

In addition, the provincial government has introduced a hot-line and a post box address to enable the local people to lodge reports of piracy.

In the meantime, the government is actively launching regulations to protect intellectual property rights and has also helped set up appropriate commercial unions to join hands to fight piracy.

**PRC: Guangzhou Subway Starts Construction**

*OW1707104796 Beijing XINHUA in English 0702 GMT 17 Jul 96*

[FBIS Transcribed Text] Guangzhou, July 17 (XINHUA) — The laying for the first section of a rail track was launched officially in Guangzhou on Tuesday [16

July], marking the beginning of the city's subway construction.

Building of the subway's major line will be divided into two phases. The line, with Huangsha Station as the northern terminal, will extend 6.7 kilometers southward from the capital of southern Guangdong Province.

The laying of the first-phase subway line is expected to be completed by the end of October with various effective measures to be adopted, according to the Guangzhou Subway Corporation.

Moreover, the corporation said that it will introduce the state-of-the-art technology in a bid to help reduce noises and ground vibrations to be caused by the subway trains.

**PRC: Guangdong Reports 'Slow but Steady' Economic Growth Jan-Jun**

*OW1907002096 Beijing ZHONGGUO XINWEN SHE in English 2327 GMT 18 Jul 96*

[FBIS Transcribed Text] Guangzhou, July 18 (CNS) — Guangdong has recorded slow but steady economic growth in the first half of the year, with the province's GDP rising by 9.7 per cent, according to figures compiled by the Provincial Statistical Bureau.

It has also been revealed that in the first six months, the province's industrial output jumped 16 per cent to RMB [renminbi] 320 billion. In the industrial sector, the output of durable goods increased by the biggest margin. The output of industrial products for the farming sector also rose considerably, but other industrial manufacturers did not perform so well.

The total value of exports amounted to U.S.\$ 25.2 billion, plunging 5.6 per cent, while investment in infrastructure remained roughly unchanged at RMB 35 billion.

Because of changing conditions of supply and demand, there was a downturn in prices yet still the average retail prices were 5.6 per cent above the same time last year.

The provincial statistical report also reveals that after three years of enhanced macroeconomic control, some previously over-heated sectors have been brought under control. However, due to lower demand so far this year, economic returns of some 30,000-state enterprises in Guangdong were on the decline with a 16 per cent drop in their profits compared with the same period last year. Overall losses of enterprises in the province also rose by 45 per cent.



**PRC: Floods Trap 20,000, Affect Paddy Fields in Central Guangxi**

*OW1907001996 Beijing ZHONGGUO XINWEN SHE in English 2326 GMT 18 Jul 96*

[FBIS Transcribed Text] Liuzhou, Guangxi, July 18 (CNS) — Severe rainstorms over the past few days have trapped some 20,000 people in the counties of Sanjiang, Rongshui and Rongan in central Guangxi. The continuing floods have hampered rescue operations.

Since July 15, over 300 millimetres of rainfall per day have caused rivers to swell to record levels. According to the latest emergency report, the respective water levels of major rivers in the three counties have already gone 3.77 metres, 10.3 metres and 8.03 metres above their 'dangerous' levels.

The floods have caused widespread damage; approximately 5,000 collapsed houses, 60 broken bridges, 38 blocked roads, six power stations, 130 schools and 1,240 enterprises flooded, 4,800 head of cattle missing, 4.17 million kilogram of grains in government storehouses ruined, half a million kilograms of grains owned by local farmers ruined, and some 21,000 hectares of paddy-fields seriously affected.

The situation was compounded this morning by the complete breakdown of all power and water supplies, telecommunications services and public transportation.

According to a government briefing at 4 am today, there were initially some 75,000 people stranded in the towns, villages, mountain areas but 55,000 had now been evacuated. Sixteen people are still missing and are feared to have died.

In the meantime, supervised by Party, government and military officials, anti-flood and rescue operations are continuing. Two air force carriers have been called in to deliver food and medicine to the victims.

**PRC: Hubei Governor Speaks on Investments From Hong Kong**

*OW0107165696 Beijing XINHUA in English 1654 GMT 1 Jul 96*

[FBIS Transcribed Text] Wuhan, July 1 (XINHUA) — Convenient transportation and an improved investment environment have qualified central China's Hubei Province as a leading arena for investment from Hong Kong.

The reciprocal cooperation between Hong Kong and Hubei is expected to not only help businessmen from Hong Kong earn higher economic returns, but also guide them to invest in the country's central-west areas, said Jiang Zhuping, governor of the province.

One of the largest financial, trade and information centers in southeast Asia, Hong Kong has many incomparable advantages in finance, trade, tourism, transportation and information.

Wuhan, the largest central city, traffic hub and communication center in China's inland, and the capital of the province, has a fine investment environment, advanced science and technology, and rich but cheap labor forces.

An ideal spot for Hong Kong's investors, Wuhan is expected to join Hong Kong and Shanghai to form a golden economic triangle in the future.

Economic growth along the Chang Jiang River valley, the ongoing water-control project in the Chang Jiang River, and the country's policy to shift its investment focus from coastal to central-western areas have turned Hubei into a hot investment spot in China's inland.

One of the country's leading industrial and agricultural production bases, Hubei Province intends to provide more high-quality farm and side-line produce to Hong Kong, and also to strengthen cooperation with Hong Kong to develop entrepot trade.

The province is expected to export five billion U.S. dollars-worth of goods by the end of the century.

It now has more than 60 universities and colleges, and some 1,000 research institutes, as well as the nation's second largest hi-tech development zone, second only to Zhongguancun, "China's silicon valley," in Beijing.

During the 1996-2000 period, Hubei plans to use nine billion U.S. dollars of overseas investment to improve local infrastructure construction and export-oriented enterprises, and to upgrade technology of local outmoded enterprises.

Hong Kong is the province's largest trade partner. The trade between Hong Kong and Hubei accounted for 40 percent of the province's total 3.7 billion U.S. dollars of foreign trade in 1995.

The province mainly exports textile, garments and black metals, as well as fresh foodstuff to Hong Kong, with the number of live pigs transported to Hong Kong reaching 300,000. And the province imports complete sets of equipment, raw material for chemical industry, and iron and steel from Hong Kong.

More than two-thirds of overseas investment in the province comes from Hong Kong, making Hong-Kong-funded enterprises in Hubei account for two-thirds of the local total foreign-funded enterprises.

The cooperation between Hong Kong and Hubei is expected to help enliven the province's economy and



contribute to stability and prosperity in Hong Kong, said Jiang Zhuping.

During the next five years, Hubei Province will give priority to cooperation with Hong Kong to invigorate the economy in both areas.

**PRC: Licenses of 148 Foreign-Funded Firms Canceled in Hubei**

OW1207091696 Beijing XINHUA in English  
0757 GMT 12 Jul 96

[FBIS Transcribed Text] Wuhan, July 12 (XINHUA) — The Industrial and Commercial Bureau of central China's Hubei Province has cancelled the registration of 148 foreign-funded firms which were discovered to be operating incorrectly.

Moreover, 29 others that had inadequate funds, factory space, or staffs and workers have had business licences revoked.

The decisions were announced after a province-wide survey into the workings of 5,758 foreign-funded enterprises in Hubei was done here recently.

The five-month survey discovered that 2,641 normally operating foreign-funded firms in Hubei generated 34 billion yuan in business in the year ending May, a figure that was more than 2 times the previous year's.

**PRC: Prospects for Hainan-Taiwan Economic Cooperation Viewed**

OW1107121096 Beijing XINHUA in English  
0715 GMT 11 Jul 96

[FBIS Transcribed Text] Haikou, July 11 (XINHUA) — Trade volume between Taiwan and China's southernmost island province of Hainan reached 14 million U.S. dollars in the first five months of this year, a trade official from Hainan announced here today.

The total volume of trade is expected to hit 30 million U.S. dollars by the end of 1996, the official predicted.

In 1988, Hainan was named a province and established trade links with Taiwan. In 1995, bilateral trade value went up to 24.7 million U.S. dollars in 1995.

Taiwan sold machine tools and equipment, fiber products, meters, watches and clocks to Hainan, while Hainan sold its farm produce, garment, cement, pottery, jewelry, glass and heavy metal.

Hainan is rich in agricultural, marine and subtropical resources, and many Taiwan investors have shifted funds and technology to Hainan.

Local statistics show that 1,200 Taiwan-invested enterprises have been built in Hainan. Of these, six percent engage in agricultural processing.

**PRC: Hainan Reports 'Marked Progress' in Assisting Disabled**

OW1706024596 Beijing XINHUA in English  
0122 GMT 17 Jun 96

[FBIS Transcribed Text] Haikou, June 17 (XINHUA) — South China's newly-established Hainan Province, the largest special economic zone in the country, has made marked progress in its development of services for disabled people.

The province provides free reading materials and bus rides for the blind, all the province's cities and counties have carried out measures to reduce taxation and education tuition on the handicapped, and all newly-built roads and buildings are handicapped-accessible.

In the past five years, nearly 8,000 disabled people were restored to health, due in part to surgeries on more than 6,500 cataract patients, and over 740 paralyzed infants. The success rate for these operations reached 99 percent and 95 percent, respectively.

Hainan now has established six centers for mentally-retarded children, and 19 cities and counties in the province have formed similar neighborhood centers.

At present, more than 2,300 disabled children are studying at primary schools, and 72 handicapped students have entered colleges and polytechnic schools.

The employment rate of the disabled in the province has reached 83 percent; the rate in the province's rural areas is 89 percent, more than 20 percentage points higher than five years ago.

More than 17,000 disabled people were employed during the past five years.

The province has also organized art groups and athletic associations for the disabled.

**PRC: Hainan Provincial Procuratorial Report**

OW2207131996 Haikou HAINAN RIBAO in Chinese  
4 Mar 96 p 4

[Excerpts of "Report on Work of Hainan Provincial Higher People's Court" delivered by Tian Zhongmu (3944 1813 2606), president of the Hainan Provincial Higher People's Court, at the Fourth Session of the First Hainan Provincial People's Congress on 8 February 1996]

[FBIS Translated Text] In 1995, the people's courts and special courts at all levels in Hainan Province have ex-

erted even greater efforts in reforming and developing themselves, and energetically carried out various judicial activities, while keeping in mind the major tasks of the entire party and the whole country. They had handled 33,599 cases of all types and concluded 30,042 of them, marking increases of 20 percent and 19.7 percent respectively over 1994.

#### **I. Strengthen Struggles to Deal Heavy Blows at Criminals and Maintain Social Stability**

**First, We must concentrate our efforts to deal blows at criminal offenders, while waging special struggles; and emphatically strike at those crimes that are more serious.**

In light of the serious drug-related criminal activities, emphasis has been placed on handling major drug traffic cases. On the June 26 International Day for Combating Drug Abuse and Illicit Drug Trafficking, judgment announcing rallies were held in both Haikou City and Sanya City to deal severe blows at drug traffickers. It was the first time that criminals involving drug-related criminals were sentenced to death. This demonstrated Hainan's determination and stand in resolutely banning and eradicating drug abuse.

In light of public disorder and the rampant hooligan activities in some rural areas in the province, emphasis was placed on trying the major robbery case headed by Hong Deyan in Yongxing Township, Qionghai City. Six principal criminals were sentenced to death according to law, and this local ring of vicious hooligans who ran rampant for a short period was smashed to pieces. A total of 55 serious criminals including those who stole and looted motor vehicles were executed between November and December.

This scale and momentum were unprecedented since the development of the campaign of dealing severe blows at criminal offenders and the founding of our province.

**Second, We must step up our efforts in striking at criminal offenders and severely punish serious criminals according to law.**

In 1995, Hainan passed verdicts which had already become legally effective to the people's courts on 1,458 serious criminal offenders of whom 1,025 were given sentences ranging from five years to life imprisonment or were sentenced to death (including death sentences with reprieves), accounting for 70.3 percent of the total number of criminal offenders. The number of offenders sentenced to death for immediate execution in 1995 rose by 58.6 percent over 1994, of whom 37 used guns, nine peddled drugs, and 26 committed street and train robberies.

**Third, We must quicken our pace in handling major and important cases, and strive to obtain the best social effects.**

With the close coordination of the public security and procuratorial organs, the people's courts at all levels had concentrated their efforts in timely concluding those major and important criminal cases which undermined social order, spread a pernicious influence and became the center of attention in society. Focusing on the speed in handling the cases, they had timely deflated the arrogant airs of the criminal offenders. In the struggle to severely strike at criminal offenders, the people's courts in our province had actively participated in improving all facets of public security, and worked hard to enhance the social effects in handling cases.

Besides executing major drug traffickers on the International Day For Combating Drug Abuse and Illicit Drug Trafficking, they had also set up publicity centers to distribute leaflets and pamphlets, creating a gigantic momentum in combating drug abuse. Following the trial of the Hong Deyang case, Their letter of judicial proposal had attracted attention from the leading comrades of the Supreme People's Court and the provincial CPC committee.

The people's courts at all levels had persistently adhered to the guiding thought, basic principle and the major pattern on three tasks set by the CPC Central Committee on combating corruption; dealt severe blows at the serious criminal activities in the economic realm according to law; and punished the corrupt officials and criminal offenders who had disrupted the economic order. In 1995, the people's courts had concluded 264 economic criminal cases of first instance of which 78 involved over 50,000 yuan each. Verdicts which had already become legally effective were given to 242 criminal offenders of whom, 134 were given sentences ranging from five years to life imprisonment or to death (including death penalty with reprieves).

The people's courts had retrieved economic losses of more than 72 million yuan for the state and the collective.

#### **II. Make Full Use of Judicial Means to Regulate Economic Relations, Ensure Reform and Development.**

In 1995 a total of 7,330 civil cases were brought to a conclusion, a rise of 23 percent over 1994 of which 2,354 involved economic disputes, an increase of 31.4 percent; 375 were administrative cases. The number of administrative cases in 1995 was about the same as that in 1994. The total value of subject matters in concluded cases reached 4.409 billion yuan.



(1) We properly handled the various types of cases related to macro-economic control. In handling cases involving real estate disputes, we had continued to implement the principle of "helping solve the problems left over from the period of real estate overheating, promote stability and development of real estate business, and standardize the operation of the real estate market in the future."

Under the pre-requisite of protecting the legitimate rights and interests of the actual investors, we often considered an act as valid if there was only a lack of pro forma documents. In dealing with those who still continued to fulfill their contracts, we took into consideration the effect of macro-economic control and adequately changed the prices on the basis of the changing situation and the principle of fair dealing.

The people's courts at all levels had quickened their steps in handling cases involving loan contracts and dealings in futures and stocks. They had concluded 586 cases involving disputes on loan contracts, and 45 cases concerning dealings in futures and stock transactions. They had worked hard to deal with special cases in recalling loans and solve loan disputes according to law; and helped put more than 2 billion yuan of sedimented funds into circulation.

(2) We carefully handled the various types of cases which had cropped up in the course of developing the reform program.

We paid attention to handling cases concerning the reform of state-owned enterprises, and introduced a modern enterprise system according to law.

In handling cases involving the infringement of the decisionmaking power of enterprises and in correctly distinguishing the power of the government in running administration and the decisionmaking power of an enterprise, we ensured that our adjudications helped enterprises change the way they operated, while they firmly supported the government in carrying out administration according to law. We handled cases and enforced our verdicts to help enterprises join operation, merge and settle claims. In reexamining cases, we helped judicial and law enforcement personnel heighten their awareness in taking care of state-owned properties, and effectively stop drainage of state assets. We properly solve disputes concerning land contracting and cooperative development, facilitated the rational allocation of resources in the province, and made effective use of the land mechanism.

(3) We energetically handled cases regarding major reforms in the province.

The tax courts continued to play their role well in backing up the judicial system, actively tried tax cases, and protected and served the work of tax collection. They firmly acted in strict accordance with the administrative rules and regulations on the collection of fuel surcharge, and concluded eight cases whereby the accused refused to pay fuel surcharge. The total value of subject matter of actions exceeded 22 million yuan. To meet the need in reforming the social security system, the Provincial Higher People's Court established a social security court which had handled and executed nine cases with the total value of subject matters in action exceeding 4.2 million yuan.

(4) We timely handled cases involving citizens' personal rights, property rights, and other legitimate rights and interests. In 1995, the people's courts in the province had concluded 3,037 cases involving family and marriage, a rise of 5.9 percent over 1994; 1,723 liability cases, an increase of 78.8 percent; 382 cases involving compensation for damages, a growth of 31.3 percent; and 10 cases involving labor disputes, a rise of 30 percent over 1994. The courts at all levels earnestly safeguarded the legal rights and interests of women, children, and old people; protected the legitimate rights and interests of property owners, creditors and victims; and protected laborers' legal rights. The people's courts at the grass-roots level and their detached tribunals had timely arbitrated for 13,700 cases of single procedure, and helped settle, at an early stage, a large number of civil disputes involving citizens' personal rights and property rights at the grass-roots level.

After the State Compensation Law was officially implemented, the Provincial Higher People's Court and the Provincial Intermediate People's Court had set up compensation committees and begun to offer consultations and handle cases for compensation.

The courts in our province paid full attention to trying cases involving intellectual property rights. In 1995, 11 cases involving copyright and other intellectual property rights were accepted and handled. This number was about the same as that in 1994. The courts which accepted such cases had passed impartial verdicts in strict accordance with the Trade Marks Law, the Patent Law, the Copyright Law, the Law against Unfair Competitions and the relevant international treaties; and further raised our judicial standards.

(5) We impartially handled cases involving foreign nationals and overseas Chinese from Hong Kong, Macao, Taiwan and other foreign countries.

Following the development of the policy of opening the special economic zone wider to the outside world, the number of cases involving foreign nationals and



overseas Chinese from Hong Kong, Macao, Taiwan and other foreign countries increased in each passing year. The number of such cases reached 87 in 1995, and the total value of subject matter in action exceeded 140 million yuan. By passing impartial rules on these cases, the courts that handled the cases had worked hard for Hainan to develop its economic affairs and its trading with foreign countries and with Hong Kong, Macao, and Taiwan, to create a fine legal environment for importing technologies, and to expedite the proceedings for the peaceful reunification of the motherland.

**(6) We paid greater attention to the work of execution.**

Judgments or rulings in 2,671 cases of all types were executed in 1995, a rise of 11.4 percent over 1994. The value of executed subject matter totalled 1.199 billion yuan, a growth of 86.5 percent. Thirty percent of the cases involved forcible execution according to law. In the course of carrying out execution, we paid attention to proceeding from reality; enforced laws in a flexible manner; combined the legal, economic and social effects; and promoted economic development.

**III. Give full Play to Advantages of the Special Economic Zone, Give Impetus to Reforming Mode of Trial**

**(1) Under the specific guidance of the leading comrades of the provincial party committee and the provincial people's congress, the guiding ideology in carrying out reform had become more explicit.**

Comrade Ruan Chongwu, Secretary of the Provincial CPC Committee, had more than once issued written instructions and heard briefings on reforming the judicial system. Comrade Du Qinglin, Chairman of the Standing Committee of the Provincial People's Congress, also issued important instructions on the mode of trial. The leading comrades in the province regarded the reform of the mode of trial not only as a way to fight corruption in the judicial system and establish the legal authority, but also as a specific project in implementing the guideline laid down by the Fifth Plenary Session of the 14th CPC Central Committee, carrying out the major system reform and giving full play to the advantages of the special economic zone. They also regarded this reform as a major event to reflect the degree of spiritual civilization in the special economic zone. This event needs the understanding and support of the entire society, and will provide the reform program with an extremely favorable external environment.

**(2) We further promoted standardization and systematization in carrying out reform, while summarizing our experience.**

The Provincial Higher People's Court formulated the "Rules for Civil Economic Trial of First Instance in People's Courts At All Levels in Hainan Province." It had made clear-cut stipulations in strengthening the functions in court hearing, stressed the responsibility of the litigant in providing evidence, and defining the authority of the collegiate panel. These rules had played a positive role in increasing the transparency in trying cases, keeping judges honest and helping them raise their efficiency in handling cases.

**(3) Working energetically and in a reliable way and making gradual improvements, we popularized the reform program in the whole area by using the experience we gained at one unit.**

As a pilot project to reform its mode of trial, the Yangpu Economic Development Zone Court paid attention to studying and learning from the good practice and experience in foreign countries, and energetically explored ways in reforming the mode of trial. After developing the activities in discussing and emulating court hearings in trying civil cases in the province, the Provincial Higher People's Court again sponsored activities in discussing and emulating court hearing procedures in handling economic cases. In November, following the guideline laid down by the Fifth Plenary Session of the 14th CPC Central Committee, the Provincial Higher's People's Court had stepped up its efforts in carrying out reform; established a guidance team in reforming the mode of trial; and popularized this reform program in trying all civil economic cases of first instance in the province. The courts throughout the province had rapidly whipped up an upsurge in studying and implementing the rules mentioned in the previous paragraph, and pushed forward the reform program energetically and reliably.

**IV. Strengthen Courts Organizationally, Strictly Enforce Laws**

Courts in the province extensively studied, popularized and implemented the Law on Judges; and organized police cadres to study and master the ideological essence of the theory in building socialism with Chinese characteristics, to enhance their awareness and strengthen their determination in firmly following the party's basic line, and to do a still better job in subordinating themselves and serve the party and the whole country. They extensively carried out activities to learn from Comrade Kong Fansen, strengthened their resolve to serve the people, and enhanced their ability to fight corruption and guard against any unfavorable turn of events. As a result, there had emerged a large number of advanced collectives and individuals that enforced laws impartially, endured hardships, and eagerly dedicated themselves. The Provincial

Higher People's Court strengthened its work of training and educating judges, and sponsored training classes of all types and at all levels. The professional qualities of judicial personnel were greatly improved.

Implementing the policy of "giving priority to education and attaching importance to prevention," the courts throughout the province earnestly developed various activities to broaden education on keeping government employees honest and industrious and to strengthen discipline and rectify the work style. In 1995, they had filed 15 cases involving 15 police cadres who broke laws and violated discipline (a drop of 25 percent over 1994). Party and administrative disciplinary actions were taken against seven of these police cadres. Six of the police cadres were taken into custody or detained for investigation by procuratorial organs. More than 10 judicial officers in the province were investigated for misjudged cases, of whom 3 chief judges of basic-level courts were removed from their benches, and another chief judge was given administrative disciplinary punishment.

Deputies of county- and city-level people's congresses had appraised the work done by some of the grass-roots and intermediate courts. After that, the deputies of the provincial people's congress had also evaluated the work of the Hainan intermediate court in 1995. The court to be appraised conscientiously conducted self-examination on strictly enforcing laws and on keeping judicial personnel honest and industrious, while earnestly accepting the appraisal. The people's deputies conscientiously fulfilled the duties assigned them by the Constitution and law. While recognizing the achievements made by the courts, they sternly pointed out the existing problems, and made proposals and suggested measures for carrying an overall reform. The court appraised had accepted the criticism and the proposal from the people's deputies and scored distinct achievements in carrying out rectification and reform. The activities in appraising judicial work played an unreplaceable role in strictly enforcing laws, improving the judicial work, and helping judicial workers improve their qualities.

New progress was made in 1995 in reforming trial and basic courts. After several years of hard work, new buildings were completed to accommodate the trial courts and law offices in 17 counties and cities in the province. New offices and buildings were also completed for immediate occupation by people's courts in most of the townships and towns. The office buildings for the Provincial Higher People's Court and the Haikou Intermediate People's Court were completed and put to use. This had greatly alleviated the space problems of the two courts. Courts in the province continued to strengthen ties and cooperation with the judicial circles in the Asian-Pacific region and in the nearby countries,

to deepen their understanding of the judicial system abroad and the international practice, and to improve their work in rendering judicial assistance.

Courts in the province still have some problems. The main problem is the imbalance in the development of judicial work. Other problems are: Laws are not strictly enforced, and court verdicts are not so impartial. Some of the cases cannot be concluded on time, and the efficiency in trying cases remains low. The tendency of some judges handling cases on their merits has not been basically corrected. Judicial workers are not so competent in conducting investigation and study to solve problems. Not enough efforts have been made in fighting corruption. Some of the problems have cropped up again as soon as they are solved. We should adopt effective measures to solve all these problems in carrying out our work in the future.

#### V. Main Tasks for 1996

The CPC Central Committee had put forward the two fundamental changes in the economic system and the mode of economic growth for this year and the future. Our judicial work will be faced with many new situations and problems. We must close rally around the party and the whole country, and persistently carry out the following tasks:

**(1) We should always give top priority to maintaining political and social stability in carrying out all of our work, and unwaveringly adhere to the principle of dealing heavy blows at criminal offenders.**

We should severely punish those criminal offenders who have seriously undermined public security, those economic criminals who engaged in embezzlement and offered or accepted bribes, and those economic criminals who hindered the development of the reform and opening-up program and disrupted the economic order. We must work hard to improve all facets of public security; pay full attention to correctly handling the contradiction among the people; properly solve all types of disputes; and provide a fine external environment for developing the reform and opening-up program and promoting economic construction in the special economic zone.

**(2) We should maintain economic order, and readjust economic relations according to law.**

We should do a good job in trying cases closely connected with the development of the "Ninth Five-Year Plan" and the implementation of the two fundamental changes, and in executing the judgments or orders in such cases. We should also do a good job in handling cases closely connected with the major measures



to carry out reform and with economic structural adjustments in the province and in dealing with those cases involving foreign nationals and overseas Chinese from Hong Kong, Macao, and Taiwan. Particular attention must be paid to conducting investigation and study on issues concerning the two fundamental changes, and efforts be made to whip up our enthusiasm and increase our foreseeability in carrying out judicial work. By doing first-rate and high-quality judicial work, we will be able to lead, develop, and ensure progress in developing economic construction and promoting social civilization in the special economic zone.

**(3) We should quicken our pace in reforming our court system, and display new merits in carrying out judicial work.**

We must resolutely continue to reform the mode of trial, improve the proceedings involving law clerks, and revamp the personnel system for cadres and the administrative system in separating internal administration from business management. By displaying new merits in doing our judicial work in the special economic zone, we will be able to open our economic zone even wider to the outside world and serve the opening-up program better.

**(4) We must strengthen ourselves, and attach importance to strict law enforcement.**

We must implement the Law on Judges in an overall manner; persistently broaden education on combating corruption with strict law enforcement as the core as well as education on professional ethics; and gradually improve the mechanism to inspire and restrain judges in our province. We must solve the problem of incompatibility between judges' professional qualities and the reform of the mode of trial.

Meanwhile, we should list our program to train highly qualified judicial officers as something important in our daily agenda, and train a group of judges who will work beyond the 20th century. We must build a contingent of first-rate legal workers, score top-class achievements, and work hard to provide a strong judicial guarantee to fulfilling the "Ninth Five-Year Plan" and the long-range objectives to the Year 2010.

**PRC: Hunan To Invest 40 Billion Yuan in Telecommunications**

*OW2506063896 Beijing XINHUA in English  
0602 GMT 25 Jun 96*

[FBIS Transcribed Text] Beijing, June 25 (XINHUA) — Hunan Province will invest 40 billion yuan in 18 large-scale telecommunications networks over the next

five years, to form a province-wide foundation for the development of the information super-highway.

This capital input will account for about 10 percent of the central China province's total in state-owned fixed assets by 2000, according to PEOPLE'S POSTS AND TELECOMMUNICATIONS DAILY.

The 18 networks include those for digital program-controlled telephones, digital transport, optical synchronous transmission, intelligent service, broad-band switching, GSM (global service for mobile communication) and CDMA (code division multiple access) mobile telephones.

When completed, the province's switching capacity for digital program-controlled telephones will jump from three million lines to seven million lines, and the number of long-distance phone lines will hit 530,000 lines in 2000, compared to 36,000 lines in 1995.

The rapid growth in the telecom business will give rise to the demand for advanced equipment. In the next five years, the province will see a surge in sales of long-distance transmission equipment as SDH (synchronous digital hierarchy) and DXC systems, and ATM (asynchronous transport model) and N-ISDN (integrated service digital network) machines, according to the paper.

## Southwest Region

**PRC: World Bank Loans Benefit Education in Guizhou**

*OW2207132696 Beijing XINHUA in English  
1134 GMT 22 Jul 96*

[FBIS Transcribed Text] Guiyang, July 22 (XINHUA) — China's poverty-stricken Guizhou Province, in the southwest, has made effective use of World Bank loans to develop primary education.

Yang Qingxiu, an official at the province's education commission, told reporters that the World Bank has provided a total of 27.77 million U.S. dollars in loans for five education-related projects in Guizhou since 1983.

The money, matched by 114.47 million yuan in local funds, has been used to build or rebuild 1,431 schools, and repair 1,032 others. The work has reduced the proportion of insecure schooling facilities from 10.5 percent in 1992 to 4.1 percent in 1995.

Yang said that the combined funds have also been used to provide training for more than 50,000 rural teachers, and purchase 237,000 pairs of desks and chairs for primary and middle school students in poverty-ridden villages and townships.



Primary education has been made universal in 10 of the 20 counties covered by the World Bank-backed projects, said Yang, adding that he expects the number of such counties to increase by five this year.

### North Region

#### PRC: Beijing City Establishes 12 New Companies Overseas

OW1607041596 Beijing XINHUA in English  
0244 GMT 16 Jul 96

[FBIS Transcribed Text] Beijing, July 16 (XINHUA) — The Chinese capital formed 12 new companies abroad in the first six months this year, involving a total investment of three million U.S. dollars.

So far the city has over 300 overseas-based firms.

According to Yi Xiqun, director of the municipal commission of foreign trade and economic cooperation, 103 of the overseas-based companies now in operation had a business volume of 760 million dollars in 1995, with a net profit of 26 million dollars, 30 percent over that of the previous year.

In the first half of this year, 237 projects involving the export of technology earned 62.7 million dollars in foreign currency, Yi said.

He noted that Beijing has undertaken the labor and technology export business in over 40 countries and regions.

So far, the city has 11 firms which are authorized to undertake contracts overseas. By the end of June, it had signed overseas contracts worth of 200 million dollars, 20 percent over the same 1995 period.

#### PRC: Hebei Secretary on Results of Visit to Finland, Germany

SK1007063996 Shijiazhuang HEBEI RIBAO  
in Chinese 27 Jun 96 p 1

[By reporter Kang Enhua (1660 1869 5478) and Zhao Juiang (6392 5112 3068)]

[FBIS Translated Text] On the afternoon of 26 June, Cheng Weigao, secretary of the provincial party committee, gathered together with the comrades participating in the provincial conference on work of town and township enterprises; leading comrades of the provincial party committee, the provincial government, and the provincial committee of the Chinese People's Political Consultative Conference; and responsible persons of provincial-level departments to describe the trip of the delegation that he headed to Finland and Germany to solicit business and introduce capital, and also to give suggestions and opinions on how to quicken the

province's steps in this aspects. He stressed the need to improve and strengthen the work of soliciting business from the outside world.

Cheng Weigao first talked about the major achievements made by the delegation during its visits to Finland and Germany. After that, he pointed out that now is the best chance to introduce foreign capital and technology. At present, the European enterprises have strong desires to find foreign cooperation partners. So, many enterprises in Europe, particularly small and medium-sized enterprises, have set their eyes on Asia, particularly China. In the past, some of our enterprises, although they had an idea of opening to the outside world, found it difficult to get partners. At present, however, things have changed. Each needs the other for his own ends in developing the market economy. That is, foreign traders need our markets, and we need their capital and technology. Why did we fail to create a situation in soliciting business and introducing capital in the past? Mainly because we failed to keep abreast of the situation, lacked a sense of urgency and enthusiasm, and did not know how to integrate our aspirations with the needs of foreign businessmen. Therefore, strictly setting up a system of soliciting business and introducing capital on a responsibility basis is the only way to effectively develop the market economy. We must grasp this favorable chance to clear channels, to strengthen our connections with foreign traders, to vigorously promoting cooperation between Chinese and foreign enterprises, and to elevate the province's opening up work to a new height.

Along with the development of the situation, we must change the business-soliciting methods that we adopted before. Cheng Weigao said: Inviting traders widely from the outside world and organizing large-scale meetings to introduce all kinds of projects are measures with which we saw achievements in making ourselves known to the outside world and promoting cooperation at the initial stage of reform and opening up. However, along with the ceaseless development of opening to the outside world, such measures have become less acceptable, and with such measures, we often see less profits from much investment. Instead of organizing large-scale meetings to introduce all of our projects and frequently making ourselves known to the outside world, we should encourage all trades to solicit their own business, to visit large traders, to hold talks in a well-prepared manner, and to conduct business-soliciting activities in various forms. First, trades should solicit business from among their foreign counterparts. Second, trades should solicit business from foreign large enterprises of the same trades. Third, foreign large enterprises can be invited to develop our projects. Fourth, attend

the business-soliciting activities, organized by famous foreign lawyers offices and foreign commercial organizations. When we convene meetings on introducing all kinds of projects, we should change the methods we used to apply to convene such meetings, and closely integrate old methods with the method of letting trades solicit business of their own so as to make our province's business-soliciting activities more solid and effective.

Cheng Weigao also expressed his opinions on strengthening cultivation of talented persons with the knowledge about opening up and vigorously supporting foreign traders to run wholly foreign-funded enterprises, and asked the party and government leaders to make good preparations before heading delegations to foreign countries.

**PRC: Shanxi's County Secretary Arrested for Corruption**

SK2207105796 Taiyuan SHANXI RIBAO in Chinese  
5 Jul 96 p 1

[By reporter Jia Zheng (6328 2973) and correspondent Dong Wanzhang (5516 8001 4545): "Fenxi County Party Committee Secretary Arrested for Selling Official Posts"]

[FBIS Translated Text] A case of taking bribes to sell official posts was recently discovered in Fenxi County of Shanxi Province. Six leaders of the county party committee and government were involved. Zheng Zesheng, secretary of the county party committee, was arrested; Liu Wenxian, deputy secretary of the county party committee and magistrate of the county, was relieved of their posts for examination; and Meng Yongming, former director of the county planning commission, who gave bribes to buy official posts was also arrested.

The Standing Committee of the Fenxi County party committee approved the appointment of Meng Yongming as director of the bureau for opposing corruption and eliminating bribery of the county procuratorate on 17 August 1995, and removed him from the posts as director of the county's town and township bureau and concurrently manager of the coke company. A few days later, the provincial party committee and discipline inspection commission received a letter from two policemen of the county procuratorate. Entitled "the Communist Party's Big Shame—Bribe Taker Appointed as Director of the Anticorruption Bureau," the letter reported the investigation and prosecution of Meng Yongming for corruption in the past and his current economic problems. The provincial party committee and discipline inspection commission paid great attention to this report. Their leaders ordered on many occasions

that Meng Yongming's appointment, something fishy, must be thoroughly investigated.

Led by the provincial discipline inspection commission, a joint investigation group was rapidly sent to Fenxi County. After investigation, Meng Yongming was found to indeed have engaged in corruption. In 1987 when serving as secretary of the Tazhi Township party committee, he was investigated by the county procuratorate for corruption and was judged by the county court as being guilty but exempted from criminal punishment. The investigation also showed that when serving as director of the town and township bureau and concurrently manager of the coke company of the county in 1993, Meng withheld over 2.05 million yuan of the income from sales of coke. He embezzled over 80,000 yuan and misused over 200,000 yuan from it.

To pave the way for his promotion, Meng made it a habit to send money and gifts to leaders on New Year's Day or other festivals. Before the 1995 Spring Festival alone, Meng sent 26,000 yuan to Zheng Zesheng, Liu Wenxian, Wang Yaping, Wang Wenping, Qiao Chengxi, and Liang Jihui, leaders at and above the deputy county head level. In June 1995 when Meng learned that the county was conducting a reshuffle of cadres, he sent the director of the general office of the county party committee and director of the county procuratorate's bureau for opposing corruption and eliminating bribery as his targets because both profits and power could be gained from these posts. During the county's reshuffle, he gave Zheng and Liu 10,000 yuan and 5,000 yuan, respectively, making clear his requests. Zheng and Liu promised to consider his requests. At a Standing Committee meeting of the county party committee on 17 August 1995, Meng Yongming's wish was fulfilled, being appointed as director of the county procuratorate's bureau for opposing corruption and eliminating bribery. When performing relevant legal procedures, the Linfen Prefectural Procuratorate learned about Meng's record of previous crime of corruption and disagreed with the appointment. On 21 August, Zheng Zesheng led four county-level leaders to the prefectural procuratorate to ask for "maintaining the county party committee's opinion" as much as possible. In view of the fact that the prefectural procuratorate had to ask for instructions from the prefectural party committee and the provincial procuratorate and that the people of Fenxi County were bubbling and gurgling about Meng's appointment, Zheng Zesheng and Liu Wenxian held discussions and set the keynote as "they must arrange Meng well." The county party committee once again held a Standing Committee meeting on 31 August on Meng's appointment, and decided to appoint Meng as director of the county planning commission.



To achieve this, they even went so far as to transfer the former director of the county planning commission to the post as director of the general office of the county party committee, transfer the director of the general office of the county party committee to the post as director of the county education bureau, and transfer the director of the county education bureau to the post as director of the county labor bureau. They indeed expended much care and thought on this.

This case is being further investigated.

**PRC: Tianjin Holds Party Committee Meeting 24 Jun**

*SK1607070596 Tianjin TIANJIN RIBAO in Chinese  
25 Jun 96 p 1*

[FBIS Translated Text] On the afternoon of 24 June, Gao Dezhan, secretary of the municipal party committee, convened an office meeting of the municipal party committee in which he stressed: Party committees at all levels in the municipality should organize a vast numbers of party members and cadres to conscientiously study and implement Comrade Jiang Zemin's important speech delivered at the forum marking the 75th founding anniversary of the CPC; should further enhance a sense of urgency and responsibility for successfully building up leading bodies and the ranks of cadres; and should make great efforts to build up a high-quality contingent of cadres to provide a solid guarantee for Tianjin's development and revitalization.

This meeting was primarily devoted to making arrangements for studying Comrade Jiang Zemin's important speech; to comprehensively promote a series of work arrangements made by the municipal party committee since the beginning of this year; to firmly grasping the fulfillment of tasks; to achieving even better results in all items of work; and to creating a fine condition for fulfilling the annual work targets and tasks.

Attending the meeting were Li Jianguo and Fang Fengyou, deputy secretaries of the municipal party committee; and Liu Fengyan and Xing Jun, standing committee members of the municipal party committee. Also attending were responsible comrades of various departments, commissions, offices, and working committees under the municipal party committee.

Gao Dezhan pointed out in his speech: Comrade Jiang Zemin's important speech has profoundly expounded the extremely great significance of building a high-quality contingent of cadres from an overall and strategic perspective. Therefore, conscientiously studying and implementing the guidelines of Jiang Zemin's speech is of great guiding significance in continuously promoting party building under the new situation and in strength-

ening the building of leading bodies and cadres ranks. Party committees at all levels should regard the study of Comrade Jiang Zemin's speech as the practical action of laying emphasis on politics and as a major activity to commemorate the 1st of July, the anniversary of the founding of the CPC.

Gao Dezhan emphasized: After studying Comrade Jiang Zemin's important speech, we should fully understand that energetically building up a high-quality contingent of cadres is a major task facing the whole party that brooks no delay. We should enhance our understanding and our sense of urgency and responsibility for successfully building the party and the ranks of cadres, and should exert great efforts in this aspect. To this end, we should attach importance to the following several major tasks: First, we should further strengthen the building of leading bodies. We should put the ideological and political building in the first place and truly intensify the building of ideology and politics, organization, and the work style among leading bodies in line with the basic five requirements on building up a high-quality ranks of cadres, as demanded by Comrade Jiang Zemin in his speech. We should adopt effective measures and summarize and foster good typical cases to help backward leading bodies change their outlook as soon as possible. We should make great efforts to train and promote excellent young cadres and intensify the training and education of young cadres according to Jiang Zemin's demands of studying assiduously, working diligently, forging ahead bravely, and consciously dedicating oneself to the party in an effort to make a big breakthrough in training and promoting young cadres. While strengthening the training and education of young cadres, we should truly intensify the building the ranks of cadres and profoundly discuss "being a good public servant of the people" among a vast numbers of cadres with a view to further enhancing all cadres' awareness in performing administrative duties diligently and honestly. Efforts to build leading bodies, improve the quality of existing leading cadres, and train and promote excellent young cadres should be manifested in the greater vitality of work, the pioneering and progress of work, and the practical results of all items of work. Second, we should successfully build the party's grass-roots organizations. We should step up the building of the village-level party organizations, with the rural party branches as the core, and should seek to transform all the backward party branches by the end of this year. In building the grass-roots party organizations in urban areas, we should pay attention to grasping the typical cases of various kinds, and those organizations with relatively more problems should be helped or reorganized.



Third, we should pay special attention to building the party style and maintaining administrative honesty. The democratic life meeting on administrative honesty and self-discipline should be held in a successful manner. In line with the reality of work and special features of various professions, we should work out some regulations regarding administrative honesty and self-discipline, set some "high-tension lines" that should not be touched, and further intensify control and supervision over cadres. The work on investigating and trying major and high-profile cases should be grasped unfailingly. Top leaders should personally take a hand in and assume responsibility for handling major cases. We should make continued efforts to straighten out unhealthy practices; conscientiously resolve the problems with regard to the wanton collection of service charges, financial levies, and fines from enterprises and peasants; and resolutely reduce burdens on enterprises and peasants. We should pay special attention to clearing up the extra-budgetary funds and the little exchequers and should intensify management of and supervision over financial affairs. Fourth, we should get on with the building of work style. We should regularize, systemize, and standardize the work of going down to grass-roots units to firmly grasp the implementation of policies, improve services, and resolve problems. We should combine the improvement of the atmosphere of various trades with the improvement of morality and spiritual civilization. We should handle affairs in an impartial, open, and highly efficient manner to make our work more efficient and clearer to the public. Party organizations at all levels should successfully organize the activities marking the 75th founding anniversary of the CPC in a bid to give a profound education on the revolution traditions and party spirit to numerous party members.

With regard to economic work, Gao Dezhan pointed out: Party committees and governments at all levels should further enhance the spirit, pay attention to economic work, and try every possible means to fulfill the semi-annual and annual targets and tasks. First, we should reinforce our confidence and, based on the problems and weak links in our work, increase the dynamics of work, try every possible means to tap potentials, and make up our mind to fulfill all tasks. Second, we should exert great efforts in developing key and large enterprises that constitute the main part of economic growth, and should use these enterprises to help improve the quality of economic operation and the overall level of the province's economy. Third, in light of the deep-rooted problems in economic work, and by learning from the experiences of Shanghai and using the experiences for reference, we should make great efforts to carry out reform, bring about a change in the economic structure and economic growth pattern, and improve the

quality and efficiency of economic growth. Fourth, we should assess and examine economic work based on the essential requirements of increasing the actual strength of the economy, the profits of enterprises, and the income of workers and gradually reducing the number of workers beset with difficulties. In this aspect, we must be honest and confront the tough with toughness. At present, rural areas should do farm work in the right season and go all out to do the three summer jobs of planting, harvesting, and field management in an effort to create conditions for reaping a bumper grain harvest and enriching the masses' "food basket" this year.

Gao Dezhan demanded: Party committees and governments at all levels should truly put the building of spiritual civilization in an even more conspicuous place and further implement various tasks on building spiritual civilization in line with the arrangements of the municipal meeting on building spiritual civilization. To strengthen the building of spiritual civilization, the key lies in leadership. This year, the municipal party committee should intensify checking the targets of building spiritual civilization and should regard the success or failure in grasping spiritual civilization and economic construction as the essential criterion for assessing the tangible achievements of party committees, governments, and leading cadres at all levels. In the first quarter of this year, based on investigation and study, we should summarize and exchange a number of typical cases and use these cases to create a new situation in building spiritual civilization.

#### **PRC: Petrochemical Goods Entrepot Under Development in Tianjin**

OW2007071396 Beijing ZHONGGUO XINWEN SHE  
in English 0608 GMT 20 Jul 96

[FBIS Transcribed Text] Beijing, July 20 (CNS) — A massive petrochemical goods entrepot is under development in Tianjin and is set to become the largest petroleum and oil distribution centre in China with its large-scale storage and shipping capabilities.

Located on a 5 square metre [figure as received] peninsula south of Tianjin port in close proximity to the main sea route, the new area is divided into two sections; a petrochemical section (1.5 square metres) and a coal and non-metal section.

So far a total of 12 enterprises, including foreign enterprises, joint ventures, mainland sole proprietorships and partnerships, have been committed to operate in the new zone. Among the many well-known foreign companies, Mobil Oil, Shell and Esso each hold leases for sites ranging from 50,000 to 100,000 square metres for sales of finished oil products, lubricants and asphalt.

In addition, Shell has also embarked on two joint ventures in the zone. The first one, in which Shell holds a 80 per cent stake and which will become operational by the end of the year, is engaged in the supply of fuel to the civil aviation sector whereas the other, still under construction, is a petrochemical firm funded on a 50-50 basis with the local port authority.

As well as foreign companies, a number of domestic petroleum companies have also shown strong interest in the new zone by installing massive tanks for the storage of finished oil and natural gases.

At the same time, two piers - a 50,000 tonne one crude oil consignments and a 15,000 tonne one for finished products - have been completed, while a 30,000 tonne pier is still in the building process.

When these three piers are concurrently operational, they could provide an aggregate handling capacity of 10 million tonnes, more than enough to cater for the needs of the new zone.

### Northeast Region

**PRC: Jilin Intensifies Work Against Counterfeit Bank Notes**

*SK2006030596 Changchun JILIN RIBAO in Chinese 28 May 96 p 1*

[By reporter Bai Yongzhi (4101 3057 2535)]

[FBIS Translated Text] The rally marking the establishment of the association to work against counterfeit notes was convened at the Provincial People's Bank on 28 May.

In recent years, the manufacturing and selling counterfeit notes has grown rampant day by day. The harm caused by counterfeit notes is greater than that caused by fake or poor quality products. Counterfeit notes will affect the stability of the economy, banking, and society, and it is imperative for us not to lower our guard.

The rally urged all departments to perform their own functions, share out the work, and help one another. Customs should strictly manage the inflow and outflow of Renminbi currency and combine the move of dealing blows to smuggling counterfeit notes with the crackdown on smuggling goods so as to block the entry channels for counterfeit notes. Once counterfeit notes are found, public security departments should promptly register and solve the cases. In accordance with the relevant regulations, departments of industry and commerce and press and publication should strictly and randomly inspect the units and enterprises under their command that engage in publishing, printing, and xeroxing. Units and individuals illegally printing, xeroxing, and publish-

ing draft notes should be strictly dealt with according to the regulations. The justice department should strike relentless blows against persons selling and smuggling counterfeit notes according to the regulations concerned.

**PRC: Jilin Holds Executive Meeting on Economic Performance**

*SK2207110596 Changchun JILIN RIBAO in Chinese 3 Jul 96 p 1*

[By reporter Liu Li (0491 0500)]

[FBIS Translated Excerpt] Governor Wang Yunkun chaired the 46th provincial executive meeting held by the provincial government on 2 July. The meeting stressed: We should comprehensively, accurately, soberly and objectively recognize and analyze the operational trend of the current industrial economy, grasp the principal contradictions, concentrate efforts, solidly and effectively resolve major and difficult problems, regard raising the province's economic efficiency as the central task, and exert efforts to raise the quality of industrial economic performance.

The meeting conscientiously analyzed the province's current industrial economic situation and pointed out that since the beginning of this year, all localities and departments have acted in line with the demand of "making a good start," advanced in a pioneering spirit under a fairly difficult situation, worked hard and guaranteed the normal operation of industrial economy in the province. During the January-May period, the total industrial output value of industrial enterprises at and above the township level increased 16.2 percent over the same period last year. Investment in fixed assets increased by a large margin. Up to the end of May, investment in fixed assets increased 48 percent over the same period last year. The progress of key construction was accelerated; the markets were vigorous and brisk; price inflation continued to decline. During the January-May period, the retail prices of commodities in the province increased 6.7 percent on average, and the consumer price index of urban residents showed an average increase of 8.2 percent. Financial revenues increased quite rapidly, and the savings deposits of residents continued to increase. During the January-May period, financial revenues from all financial departments in the province increased 16.7 percent over the same period last year. While fully affirming the achievements, we should also soberly recognize that the quality of the current economic performance is not high, the economic efficiency of enterprises has declined, problems concerning deficit increase have remained quite prominent, and difficulties in the production and operation of state-owned enterprises have been further



aggravated. There are various reasons for this; the most important reasons include the irrational structure and the failure of enterprises in fundamentally changing the operational mechanism and the economic growth mode. To solve these problems, we need a long process.

In view of the new situations, problems and contradictions cropping up in the current economic performance, the meeting stressed that in the guiding ideology for work, it is imperative to continuously uphold the principle of reform, reorganization, transformation, and strengthening management. In the work method, we should uphold the principle of giving different guidance according to the merits of different cases and resolve the problems one by one. We should pinpoint the major and difficult points and grasp the work solidly and meticulously; uphold the principle of "grasping the major ones while decontrolling the small ones," deepen reform of state-owned large- and medium-sized enterprises, and at the same time, instill greater vigor and vitality to small enterprises. We should further change the government functions and work style and strengthen comprehensive coordination and guidance for economic performance; realistically push enterprises to the market and enable them to become the mainstay of the market and to survive and seek development in the market competition. Currently, we should prominently grasp the following few tasks well. First, we should give emphasis to studying the funding issue. We should give full support to enterprises with good economic efficiency and marketable goods; try by all possible means to vitalize and optimize bad assets and reduce dead debts; and realistically guarantee the basic life of enterprise workers. Financial and banking departments as well as enterprises should recognize and resolve these problems from the perspective of stabilizing the overall situation and promoting development. Second, we should strengthen enterprise management. The key is to grasp the building of enterprise leading bodies and resolutely adjust incompetent enterprise leading cadres; give prominence to enterprises' cost management, think of more ways and exert greater efforts to lower the cost; stress the development of markets, and make all production and business activities of enterprises serve the market and take market needs as the prerequisite. Third, we should give impetus to technological transformation because it is a major matter determining the development momentum of enterprises. We should prominently grasp major items and attend to making the completed technological transformation items attain the production capacity and efficiency level; and formulate and implement relevant policy measures on promoting the technological progress of enterprises. Fourth, we should rapidly invigorate assets and operation, promote the circulation of assets and their value increase, realize high-level man-

agement, and further raise the quality and efficiency of economic performance. [passage omitted]

The meeting also discussed and decided on other matters.

Vice Governors Wang Guofa, Quan Zhezhu, Sang Fengwen, and Liu Shuying, and Secretary General Li Jieche, attended the meeting; comrades in charge of relevant departments attended the meeting as observers.

### Northwest Region

#### PRC: Xinjiang Leader Calls For Caution Against 'Separatism'

OW2207143496 Urumqi Xinjiang Television Network  
in Mandarin 1330 GMT 21 Jul 96

[From the "Xinjiang News" program]

[FBIS Translated Text] Zhou Shengtao, deputy secretary of Xinjiang autonomous regional party committee and secretary of autonomous regional commission for discipline inspection, recently inspected disaster-hit areas in Akto County. The hailstones on 4 July have caused great economic losses to (Baren) Township and (Pilali) Township in Akto County in agricultural production.

Having inspected the situation caused by the disaster, Zhou Shengtao noted: Presently, the government should organize personnel to deliver the relief food to peasant households as soon as possible, settle living problems in the disaster-hit areas, and properly organize people in the disaster-hit areas to start providing for and helping themselves by replacing the crops of cotton and melons in the hailstone-damaged fields with other autumn crops as soon as possible, so as to minimize the losses. [Video shows Zhou Shengtao inspecting damaged crops in fields covered by hailstones]

Speaking on the stability work in the disaster-stricken areas, Zhou Shengtao emphasized: It is necessary to properly relay and implement the central authorities' important guidelines on safeguarding stability in Xinjiang. We should by no means tolerate or be lenient to national separatism and illegal religious activities, but should crack them down as soon as they crop up and thoroughly destroy them while they are still in the embryonic stage. Meanwhile, we should stress the construction of grassroots organizations in rural areas and straighten up weak and slackly-organized party branches in this year and next. We should particularly pay attention to those backward township-level organizations controlled by religious forces and attach importance to the selection of secretaries to township party branches and chairmen to township committees. We should especially stress the construction of the leading bodies



for townships and towns and make sure the leadership at various levels is firmly in the hands of people who love the CPC and the socialist motherland as well as safeguard the unification of the motherland and national

unity. [Video shows Zhou Shengtao addressing group of people in room]

**Taiwan: Taipei Wishes To Discuss Sea Boundaries With Tokyo**

OW2307105296 Taipei CHUNG-YANG JIH-PAO  
in Chinese 20 Jul 96 p 2

[FBIS Translated Text] In view of Japan's declaration of the 200-nautical mile economic zone, a Foreign Ministry official yesterday indicated that Taiwan would like to conduct consultations with Japan on the issue regarding the overlapping sea boundaries between our country and Japan.

Japan's new 200-nautical mile economic zone, which takes effect today, will evoke the question on overlapping sea boundaries between Japan, mainland China, and our country. Japan has started consultations with the countries concerned.

The Foreign Ministry official noted: It is known that Japan and the Chinese Communists have discussed this issue and exchanged views on fishing cooperation last April, but they did not come to any conclusion. Japan and the Chinese Communists may reopen the talks again.

**Taiwan: Taipei Thanks Allies for Supporting UN Bid**

OW2207161796 (Internet) Taiwan Central News  
Agency WWW in English 1511 GMT 22 Jul 96

[By Benjamin Yeh]

[FBIS Transcribed Text] Taipei, July 22 (CNA) — The Ministry of Foreign Affairs on Monday expressed its appreciation to 16 countries, including the Dominican Republic, for their unwavering support of the Republic of China (ROC)'s bid to join the United Nations.

The ministry stressed that the ROC's UN bid is a crucial part of efforts by both sides of the Taiwan Strait to push for an integrated China.

The ministry said Taipei has no intention of challenging Beijing's China seat in the UN, and nor does it want to create a perpetually split China. But the ROC government sincerely hopes that Beijing will adopt a more pragmatic stance in dealing with the issue and immediately stop blocking Taipei in the international community, it added.

"Equal participation in the UN and other international organizations and respect of the other side of the Taiwan Strait will enable Taipei and Beijing to build up mutual trust and thus create a climate favorable to the reunification of China," the ministry said.

The ambassadors of 16 countries wrote a joint letter to UN Secretary-general Butrus Butrus-Ghali on July 17 asking the New York-headquartered organization

to discuss UN Resolution 2758 when the UN General Assembly meets in September.

The letter asserted that the resolution, adopted 25 years ago to oust the ROC from the UN and award Beijing the China seat, made the 21 million people of Taiwan unrepresented in the organization.

The other 15 signatories of the letter were Grenada, the Commonwealth of Dominica, the Republic of the Gambia, El Salvador, Saint Vincent and the Grenadines, the Solomon Islands, Nicaragua, the Kingdom of Swaziland, Honduras, the Republic of Guinea-Bissau, Burkina Faso, Saint Lucia, Senegal, Guatemala, and the Central African Republic.

Enclosed with the letter is an explanatory memorandum of understanding highlighting the unreasonableness of the resolution and its inadequacy in meeting the demands of the people of Taiwan for democracy, security, and human rights.

The letter also requested that the UN set up a special committee to study the issue and present necessary proposals to the UN General Assembly.

The ministry insisted that the UN resolution was the result of ideological confrontations during the Cold War period, saying that it did not solve the UN issues arising from the separation of the two sides of the Taiwan Strait since 1949.

Though the resolution did solve the issue of representation in international organizations for the people of Mainland China, the 21 million people in Taiwan have been deprived of their fundamental right to participate in political, economic, and cultural activities in the UN, the ministry said.

"The resolution runs counter to the principle of universality on which the UN is based," the ministry said.

**Taiwan: APEC Telecommunications Meeting To Open 23 Jul**

OW2207144796 (Internet) Taiwan Central News  
Agency WWW in English 1402 GMT 22 Jul 96

[By Danielle Yang]

[FBIS Transcribed Text] Taipei, July 22 (CNA) — The 14th Asia-Pacific Economic Cooperation (APEC) telecommunications working group meeting will open in Taipei Tuesday with 200 representatives from APEC member countries participating.

Steven Chen, former head of the Directorate General of Telecommunications, will preside over the opening ceremony. Tsai Chao-yang, minister of transportation

and communications, and Yang Shih-chien, minister without portfolio, will speak at the ceremony.

Participants will be divided into four panels that will discuss telecommunications liberalization, the facilitation of commerce, human resources development, and Asia-Pacific information infrastructure (APII), the Transportation Ministry noted.

Taiwan is hosting the APEC telecommunications working group meeting, one of 12 such meetings under APEC, for the first time. The routine multi-lateral working group meeting is held every six months.

The three-day meeting will be a good chance for Taiwan to publicize its bid to develop itself into an Asia-Pacific operations hub, as well as its telecommunications liberalization plan.

Taiwan will be represented by officials from the Ministry of Transportation and Communications, the Ministry of Foreign Affairs, the Ministry of Economic Affairs, and the Council for Economic Planning and Development.

Mainland China will send a 10-member delegation from the Ministry of Posts and Telecommunications.

APEC groups Indonesia, the Philippines, Malaysia, Thailand, Mexico, Brunei, Australia, New Zealand, Canada, Mainland China, Japan, Hong Kong, the United States, Singapore, Taiwan, South Korea, Chile, and Papua New Guinea.

#### **Taiwan: Central American Foreign Ministers To Meet in Taipei**

OW2207125396 (Internet) Taiwan Central News Agency WWW in English 0930 GMT 22 Jul 96

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, July 22 (CNA) — Foreign ministers from the Republic of China and seven Central American and Caribbean nations will meet in Taipei July 25-26 to discuss ways to boost bilateral and multilateral cooperation.

Foreign ministers from Honduras, Nicaragua, El Salvador, Costa Rica and Guatemala will personally attend the conference, while Panama will be represented by its vice foreign minister and Belize by its agriculture minister.

ROC Foreign Minister Chang Hsiao-yen met with ambassadors of the seven countries Monday to finalize the itinerary and agenda of the two-day conference.

The ROC has hosted the multilateral ministerial meeting annually since 1994. The previous conferences have

proved conducive to the promotion of Taiwan's relationships with those countries.

Foreign Ministry officials said this year's meeting is expected to focus on regional issues, trade and economic cooperation, technological and cultural exchanges, and diplomatic topics of mutual concern.

The meeting will also discuss strategies to support Taiwan's bid to rejoin the United Nations, the officials said. The ROC was forced out of the UN in 1971 when Beijing took over the China seat.

Four of the seven countries — Honduras, Guatemala, Nicaragua and El Salvador — have joined forces with 12 other ROC diplomatic allies to send a proposal to the UN Secretariat asking the UN to set up a special committee to study the issue of Taiwan's representation in the world body.

Central American and the adjacent Caribbean Sea is the ROC's diplomatic stronghold, with nearly half of its diplomatic allies located in the region.

Despite geographic distance, the ROC has maintained close and cordial relations with most Central American and Caribbean nations.

#### **Taiwan: Lien Chan To Attend Dominican Presidential Inauguration**

OW2207122696 (Internet) Taiwan Central News Agency WWW in English 0929 GMT 22 Jul 96

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, July 22 (CNA) — Vice President and Premier Lien Chan will represent President Li Teng-hui to attend Dominican President-elect Leonel Fernandez's [name as received] inauguration slated for Aug. 16.

Lien will lead a special mission for the Dominican capital city of Santo Domingo in mid-August, marking his first state visit abroad since he was elected vice president in Taiwan's first democratic presidential election in March.

President-elect Fernandez, on the right side of his 50 [as received], beat strong rivals in two presidential elections on May 16 and June 30 to become eligible to replace President Joaquin Balaguer, who has been in office for 28 years.

The Dominican Republic is one of the countries in Central America with which Taipei maintains formal diplomatic relations.

Premier Lien on behalf of President Li Teng-hui attended the inauguration of President Carlos Roberto



Reina of the Republic of Honduras in Tegucigalpa in January 1994. He again acted as President Li's special envoy to participate in El Salvadoran President Armando Calderon Sol's inauguration in May in the same year. During the trip, he also visited the neighboring Guatemala, which also maintains formal diplomatic ties with the ROC [Republic of China].

Meanwhile, Vice Premier Hsu Li-teh disclosed that arrangements for his visit to South Africa in later August are going on smoothly.

## Hong Kong

### Hong Kong: People Assisting PRC Dissidents Face Punishment

HK2307082296 Hong Kong PING KUO JIH PAO  
in Chinese 23 Jul 96 p a1

[Report by Reporter Cheng Cheng (4453 2398): "The Chinese Side Warns Hong Kong People Taking Part in 'Yellow Bird Operation' That They Will Never Go Unpunished"]

[PTS Translated Text for FBIS] During Canadian Foreign Minister Lloyd Axworthy's stay in Hong Kong, Hong Kong Governor Chris Patten met and passed over to him files of Chinese pro-democracy activists remaining in the territory, and asked Canada for help in taking them in. Axworthy replied that Canada would consider accepting them according to the normal immigration procedure. The Hong Kong government refused to comment on the meeting.

In addition, this reporter has also learned that apart from nearly 100 pro-democracy activists remaining in Hong Kong, some Hong Kong people who took part in the operations of rescuing pro-democracy activists in the past are also advised to leave Hong Kong to avoid the possibility that the Special Administration Region [SAR] government will arrest and charge them for "assisting illegal entry."

According to an unconfirmed report, noted pro-democracy activists wanted by Beijing include Wuer Kaixi, Cai Ling, Yan Jiaqi, and others who have fled abroad via Hong Kong. The entire rescue operation was called the "Yellow Bird Operation," and involved Hong Kong people from various quarters.

### Lau Chin-shek: I Will Not Leave Hong Kong

A person from the legal circles has pointed out: Under the rule of the British Hong Kong government today, these people will not be charged by the Legal Department. However, the following possibility must not be ruled out after 1997: Under pressure of the central government, the SAR government might possibly use the files on hand to sue them to "square the account after the autumn harvest."

Well-informed sources also told this reporter that the Hong Kong government had inquired on the way Beijing would handle those pro-democracy activists in Hong Kong. The Chinese stated that it would not let off even one of those Hong Kong people who had assisted pro-democracy activists to flee abroad, and that the possibility of suing them according to law after 1997 was not ruled out.

The Hong Kong government has passed this "information" to the relevant persons, and some foreign governments have stated that Western countries are willing to take them if their personal safety is threatened. Well-informed sources said that since the number of persons taking part in the rescue operation was very small, and that they were not noted personages, the possibility that the Chinese side would persecute them must not be ruled out.

Lau Chin-shek, member of the Standing Committee and spokesman of the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China, refused to comment on the relevant reports. He also refused to confirm whether he had been advised to leave the territory. However, he pointed out: If some of those who took part in the operation of rescuing mainland pro-democracy activists wish to leave Hong Kong before 1997, the international community should assist them. He also believed that Hong Kong people who took part in the rescue operation in those years might understand that they would pay the price for their move, and that they would be punished after 1997. But he would not choose to leave the territory.

Lay Chin-shek welcomed the statement issued by the Canadian Foreign Minister Axworthy that his country would assist to find homes for those pro-democracy activists remaining in the territory. He stressed: All countries have formulated a policy of providing "political asylum" for people of other countries. The Chinese government has also done so, and has taken in persons persecuted by the Vietnamese and Cambodian governments.

### Canadian Foreign Minister: Canada Will Provide Assistance

Canadian Foreign Minister Lloyd Axworthy ended his two-day visit to Hong Kong yesterday. At a news conference, he admitted that when he met Hong Kong Governor Chris Patten on Sunday night, they discussed the issue of pro-democracy activists remaining in Hong Kong. He revealed that the Hong Kong government wished the Canadian government to provide political asylum for those political dissidents who intended to leave Hong Kong before 1997, and passed to him immediately the files of those persons.

Axworthy stated: Just like the United States and other countries, Canada may consider to assist those persons. If they truly wish to obtain entry visas, the Canadian government will handle their applications according to normal immigration procedure. He added that he did not know the number of persons involved, and that the Canadian government would cooperate with the Hong

Kong government to find those dissidents who needed help. Former Chinese trade union leader Han Dongfang stated that he himself did not intend to leave Hong Kong. But he hoped that the relevant countries would give special treatment to the Chinese dissidents, and take in more of them if possible, so that they could leave Hong Kong safely.

**Hong Kong: PRC Source: UK Handover Team Plan Shows Lack of Sincerity**

**HK2307090896 Hong Kong HONGKONG STANDARD in English 23 Jul 96 p 4**

[By Baby Sung]

[PTS Transcribed Text for FBIS] China yesterday accused Britain of a lack of sincerity in planning unilaterally to set up a task force under the Chief Secretary to offer assistance to the first chief executive-designate.

The reported plan calls for Chief Secretary Anson Chan Pang On-sang to take leave from January to work for the chosen chief executive candidate with a few hand-picked officers in the six months to the handover.

But a Chinese source told the Hong Kong Standard yesterday that China would not welcome such a plan.

The source said Britain should not force the future chief executive-designate to accept a team organised by the British-Hong Kong government which would inevitably become the team designate (the future cabinet).

He said the proposal reflected Britain's lack of sincerity in helping China to set up the government of the Special Administrative Region.

"Real co-operation would be to let the chief executive designate pick the officials he wants and allow them to transfer to the chief executive's office," the source said.

"The proposal is not a sign of co-operation. If the British want to co-operate, they should hold discussions with China through diplomatic channels to find a method acceptable to both sides.

"Spreading words through the media is not the right approach."

China believed Britain wanted to test China's bottom line on the matter.

The Hong Kong government has not commented on press reports of the plan, and Chinese representative on the Joint Liaison Group Chen Zou'er said yesterday that China had not received any such proposal from Britain.

Mr Chen said any proposal concerning transition could be put forward to the Preparatory Committee's Hong Kong office through the government's liaison office.

He refused to comment on whether China would accept Mrs Chan as leader of an official team assisting the chief executive.

The British proposal follows China's stance — indicated by a top official in the Hong Kong and Macao Affairs Office in March — that the principal officials chosen for the team designate should not continue working for Governor Chris Patten.

China further proposed that the officials selected should resign from the civil service stage by stage and join the team designate. But the government fears such secondment would paralyse the administration.

**Hong Kong: UK Reported Seeking Homes in West for PRC Dissidents**

**HK2307091096 Hong Kong SOUTH CHINA MORNING POST in English 23 Jul 96 p 6**

[By Glenn Schloss and Chris Yeung]

[PTS Transcribed Text for FBIS] An urgent diplomatic initiative has been launched to find homes in Western nations for mainland dissidents languishing in Hong Kong before China takes control of the territory.

British embassies around the world are believed to have approached governments which had already granted asylum to those fleeing persecution since the Tiananmen Square crackdown in 1989.

Files on dissidents and their immediate families remaining in the territory, about 80 people in total, were passed over by the missions in foreign capitals, a diplomatic source said yesterday.

Countries approached to take those considered most at risk under Chinese rule are believed to include Canada, France, the United States, Sweden, Australia and Germany.

The United Kingdom has allowed some people to settle there.

Revelations of the role of Britain's embassies come as Canada made the unusual move of publicly raising the sensitive issue.

It is likely to anger China as well as Western nations attempting to keep the relocation operations under wraps for fear of upsetting Beijing.

Canadian Foreign Minister Lloyd Axworthy revealed that he and Governor Chris Patten had discussed the future of the asylum-seekers.

"We are one of the few countries that are presently prepared to accept dissidents," he said.



Authorities in Hong Kong provided a reference for those who had fled political persecution and they were placed in Canada's immigration system.

Mr Axworthy later reportedly toned down his remarks at a meeting with local politicians.

Tsang Yok-sing, chairman of the Democratic Alliance for the Betterment of Hong Kong, said: "He clarified that he had not used the term 'dissidents'. He said the Governor has raised the question of whether they could offer help to people in Hong Kong who might be affected because of the political change."

#### **Hong Kong: Guangzhou to Explore New Ways of Cooperation With Hong Kong**

*OW1907140796 Beijing XINHUA in English  
1300 GMT 19 Jul 96*

[FBIS Transcribed Text] Guangzhou, July 19 (XINHUA) — Guangzhou Mayor Li Ziliu has pledged to explore new forms of cooperation with Hong Kong in a move to promote the development and prosperity of both Guangzhou and Hong Kong.

To this end, Li said, "We should give full play to Guangzhou's advantages as the largest city in south China, particularly its advantage in the service sector, in order to step up the development of the South China Economic Rim covering Hong Kong, Macao and the Pearl River Delta in Guangdong Province."

Ninety percent of the scientists and researchers in Guangdong Province are in Guangzhou, he said, adding that the city also has a solid manufacturing foundation and a number of major manufacturers.

The service sector, including the commercial, banking and information industries, now contributes more than 50 percent to Guangzhou's gross domestic product — the value of the produced goods and services.

In terms of overall economic strength, Guangzhou ranks third among major cities in China, next only to Shanghai and Beijing, he said.

"With these advantages, I am sure that Guangzhou will be able to greatly expand economic cooperation with Hong Kong in the future," he said.

He said that both Hong Kong's investment in Guangzhou and Hong Kong-funded companies account for 80 percent of overseas investment introduced by Guangzhou and of the total number of overseas-funded enterprises in the city.

Over the past few years Guangzhou has greatly expanded cooperation with Hong Kong in a wide range of industries, such as banking, tourism, commerce and real estate, according to Li.

"Cooperation with Hong Kong has facilitated economic and social reforms in Guangzhou and enabled Guangzhou to lead all other major cities in China in creating a market economics," he said.

He proposed that Guangzhou and Hong Kong set up an economic coordination organization composed of representatives of trading companies, enterprises and research institutes located in the two areas.

The organization should formulate regulations, policies and measures to advance cooperation in the two areas, and help adapt the economic operational mechanism in Guangzhou to that in Hong Kong and to international practices, he noted.

The mayor also stressed the need to step up technological cooperation between the two areas, in an effort to promote the growth of hi-tech industries.

He proposed that a semi-official department be established to organize cooperation and exchanges in such industries.

A technology market should be set up to serve the two areas and their policies, to encourage the development of such industries and the application of high technology to production, he said.

"Both areas should increase appropriations in hi-tech industries. I think that is essential to cooperation between and development in the two areas," he stressed.

Mayor Li also called for efforts to expand cooperation in the service sector and to aid its growth so that the two areas can better supply each other's needs.

Hong Kong businesses will be encouraged to invest in the financial and commercial sectors in Guangzhou, enabling such sectors in Hong Kong to play a dual role in Guangzhou, he said.

"With the approval of China's central bank, the People's Bank of China, Hong Kong financial institutions can open representative offices or branch offices in Guangzhou," he said.

Guangzhou will draw on Hong Kong's marketing methods and utilize its international trade channels, capital and technology, to open a commercial network to both the domestic and global markets.

He said that it is necessary to link major construction projects in Hong Kong with the construction plan for Guangzhou and the Pearl River Delta.

"While introducing Hong Kong funds for infrastructure in Guangzhou, we will pursue more preferential treatment than to investors in other areas," he said.

Li said that Guangzhou will work with Hong Kong to train a large number of experts and managerial staff in such sectors as banking, commerce, international trade, consulting and information.

"I am sure that with concerted efforts, Guangzhou and Hong Kong will certainly be able to become more prosperous and stable in the future," he said.

**Hong Kong: Mainland Consular Regulations Likely To Apply to Hong Kong**

HK2307030996 Hong Kong MING PAO in Chinese  
22 Jul 96 p A4

[Report by Fan Chieh-hui (5400 0267 2264): "China Likely To Apply Consular Regulations to Hong Kong"]

[PTS Translated Text for FBIS] China is very likely to amend Annex 3 of the Basic Law for the Hong Kong Special Administrative Region [SAR] and apply the "PRC Regulations on Consular Privileges and Immunity," a national law, to the SAR. This move is being taken to avoid a "legal vacuum" resulting from the abolition of the two consular regulations proposed by the Preliminary Working Committee [PWC] and to avoid hindering the work of consulates in Hong Kong after the SAR is established on 1 July next year.

The PWC, which has been disbanded, had proposed abolition of 26 of Hong Kong's existing ordinances that contravene the Basic Law, which include the "Regulations on Consular Agreements" and "Regulations on Consular Relations." The two regulations provide foreign consulates with the powers to serve as notaries, administer oaths, and handle legal documents. For example, if a citizen of a country is too busy to come to Hong Kong to handle his/her property in Hong Kong, he/she can authorize the consulate of the country concerned to have power of attorney over his/her property. If a Hong Kong resident buys real estate or deals with a business in another country, he/she can use the consulate of the country concerned to verify his signature and the authenticity of the documents so that the dealings can proceed smoothly.

If the two above-mentioned consular regulations are abolished as proposed by the PWC and there are no relevant regulations to fill the vacuum, consular work is likely to be affected after the establishment of the SAR next year, which will also indirectly hinder nongovernmental commercial activities.

The PWC also proposed abolition of the "Regulations on Consular Relations," which provided foreign envoys and consular officials the right to administer oaths and serve as notaries. If the Hong Kong governor finds that foreign consulates are doing work without authorization,

he may stop them from dealing with oaths and notary matters.

An executive member of the Bar Association delegation that just concluded a visit to Beijing last weekend quoted a mainland member of the legal panel of the Preparatory Committee [PC] as saying that consular issues of the SAR fall within the purview of the Central Government. The Chinese side is considering applying the "PRC Regulations on Consular Privileges and Immunity" to the Hong Kong SAR. Under that scenario, the SAR would draft legislation to implement that PRC law in Hong Kong so that consular powers can be extended.

The executive member summarized the views of mainland members of the panel and said the Chinese side has drafted a set of regulations, but it is not yet appropriate to make the details and procedures public.

As a matter of fact, the Basic Law for Macao clearly states that the above-mentioned "PRC Regulations on Consular Privileges and Immunity" are a national law that applies to the Macao SAR. The problem is that when the Basic Law for Hong Kong was promulgated in April 1990, the National People's Congress [NPC] Standing Committee at that time had not yet adopted the regulations. The regulations were promulgated in October 1990.

Reportedly, the PWC legal panel had proposed to the Chinese side that the Chinese consular regulations apply to Hong Kong. The PC will follow up the matter later by discussing the question of national laws that apply to the Hong Kong SAR and then submitting a proposal to the NPC Standing Committee.

Regarding the PWC proposal on abrogating the overriding status of the Human Rights Bill and abolition of six ordinances amended in light of the Human Rights Bill (the Societies (Amended) Ordinance, Public Order Ordinance, Television (Amended) Ordinance, Telecommunications (Amended) Ordinance, Broadcasting Authority Ordinance, and Amendment to the Emergency Regulation), the executive member of the Bar Association said the Chinese side is tough and firm in its stance and has no intention of dealing with the matter leniently.

On the legal grounds of the provisional legislature, the Chinese side also does not intend to have another resolution adopted by the NPC Standing Committee to clarify its legal standing. China believes the Basic Law and relevant decisions made by the NPC Standing Committee in 1990 and 1994 have provided the PC with legitimate powers to establish the provisional legislature.



**Hong Kong: CPC Official Cited on Post-1997  
HK-Taiwan Ties**

**HK2307073896 Hong Kong HSIN PAO (HONG  
KONG ECONOMIC JOURNAL) in Chinese 12 Jul 96  
p 29**

["Beijing Political Situation" column By Jen Hui-Wen  
(0117 1979 2429): "China Reiterates Its New Policy on  
Hong Kong-Taiwan Relations"]

[PTS Translated Text for FBIS] Beijing, 10 Jul (HSIN PAO)—How relations between the Hong Kong Special Administrative Region [SAR] and Taiwan will be defined after Hong Kong returns to the Chinese sovereignty in 1997 is an issue of concern to all parties involved. As everyone knows, Hong Kong-Taiwan relations are never regarded simply as relations between those two places. Under British rule, Hong Kong's general policy towards Taiwan is set down by London, and the political advisers assigned by the British Foreign Office to the Hong Kong Government provide opinions for the Hong Kong governor on the handling of Taiwan-related affairs. Even after 1997, when Hong Kong becomes a special administrative region of the PRC, Hong Kong-Taiwan relations will not be considered merely as relations between Hong Kong and Taiwan either, for this issue will inevitably be incorporated into and become a special component of the relations between the two sides of the Taiwan Straits. Because of the dual nature of Hong Kong-Taiwan relations after 1997, which are not only relations between Hong Kong and Taiwan but also relations between the two sides of the Taiwan Straits, there will emerge the issue of how to define the authority between the central authorities and the Hong Kong SAR in handling Taiwan-related affairs in Hong Kong. At the Fifth Plenum of the Hong Kong SAR Preparatory Committee held in June last year, Qian Qichen, vice premier of the Chinese State Council and current director of the Working Committee under the Hong Kong SAR Preparatory Committee, announced on behalf of the State Council seven basic principles and policies formulated by the central government guiding the handling of Taiwan-related affairs in Hong Kong after 1997 (which are referred to as "Qian's Seven Points"). During June and July this year, an authoritative CPC official publicized more detailed policies on the issue, thus further clarifying and reinforcing Beijing's principles and policies toward Hong Kong-Taiwan relations after 1997.

To understand why Beijing needs to reiterate its concrete policies toward post-1997 Hong Kong-Taiwan relations, we first have to cite the seven basic principles and policies put forward by Qian Qichen on 22 June last year.

**"One China" Is the Keynote of the "Qian's Seven  
Points"**

The keynote of the seven policies put forward by Qian Qichen is that regional nongovernmental exchanges will be maintained between Hong Kong and Taiwan after 1997; among Taiwan-related affairs in Hong Kong, issues involving state sovereignty and cross-strait relations should be arranged and handled by the central government or dealt with by the SAR government under the guidance of the central government; any official contacts, negotiations, or talks, establishment of institutions, or signing of agreements under all kinds of names are subject to the authorization or approval of the central government; and existing Hong Kong-based Taiwan institutions and their staff are allowed to stay in Hong Kong under the condition that they strictly observe the "Basic Law" and do not violate the "One-China" principle.

An expert on Taiwan affairs in Beijing has pointed out that although they were announced against the backdrop of Li Teng-hui's visit to the United States, which brought cross-strait relations to a deadlock and postponed the "Wang-Ku Talks," "Qian's Seven Points" showed no sign of a "tighter" policy as feared by some people. As a matter of fact, "Qian's Seven Points" reinforce the policies repeatedly stressed by Deng Xiaoping and Ji Pengfei in 1984. Of course, the decision to publicize "Qian's Seven Points" in late June last year had a clear aim. For a long time, the Taiwan authorities had adopted the attitude of "refusing to accept" Beijing's exercise of sovereignty over Hong Kong and had long slandered Beijing's practice of "one country, two systems" in Hong Kong. The Taiwan authorities recently concocted so-called "Regulations Guiding Relations With Hong Kong and Macao," aimed both to keep a eye and impose restrictions on nongovernmental exchanges between Hong Kong, Macao, and Taiwan and to attempt to "provide necessary assistance" for certain destructive forces in Hong Kong and Macao. Not long ago, leaders of the Taiwan authorities openly proclaimed Taiwan's intention to "have a greater involvement in Hong Kong and Macao affairs" and to "join hands with compatriots in Hong Kong and Macao in a common pursuit of democracy, freedom, stability, and prosperity." "Qian's Seven Points" are a reply to the Taiwan authorities' attempt to defame the concept of "one country, two systems."

**The "Six Not Allow's" Are Also Based on "One  
China"**

Sources in Beijing have revealed that the authoritative CPC official added written instructions to the



report submitted by the Association for Relations Across the Straits and other units on the activities carried out by Hong Kong-based Taiwan institutions after 1997. The instruction included the following six points:

1. No one is allowed to carry out activities under the name of the Republic of China;
2. No one is allowed to advocate the practice of "one China, one Taiwan" or "two Taiwans," or carry out activities aimed at "independence for Taiwan";
3. No one is allowed to carry out political activities in Hong Kong or Macao in a so-called official capacity;
4. No one is allowed to support the activities of hostile forces that are anti-China and anti-communist and that try to destabilize Hong Kong in the name of any official organizations or companies;
5. No company or institution is allowed to carry out political activities that are contrary to the nature of its registration in Hong Kong and Macao;
6. No political parties in Taiwan are allowed to organize any bodies for the purpose of launching activities of political parties and bodies, conducting political propaganda, or organizing activities in Hong Kong and Macao.

The expert on Taiwan affairs in Beijing believes that in essence, the "Six Not Allow's" serve as a foundation for Beijing's reiteration of its policies on handling post-1997 Hong Kong-Taiwan relations and represent the principle of "one China" and "one China, two systems." They also serve as an explicit warning to the Taiwan authorities that they are not allowed to take advantage of the current exchanges between Hong Kong and Taiwan to peddle "the Republic of China," to engage in such activities as "one China, one Taiwan" and "two China's," to poke their nose into Hong Kong and Macao affairs, or to get involved in activities that will sabotage the stability and prosperity of Hong Kong and that are contrary to the registered nature of Hong Kong-based Taiwan companies or institutions.

#### **Beijing Is To Draw up the Law on Hong Kong-Taiwan Relations**

According to sources, the authoritative CPC official has also made some comments on Taiwan's infiltration into Hong Kong's political activities in recent years: "The Taiwan authorities have infiltrated Hong Kong's political affairs in an increasingly open way, and the motive and purpose of their support for organizations that are anti-China and anti-communist and that try to destabilize Hong Kong are

clear to all. The Taiwan authorities recently have even showed their intention to admit political refugees from Hong Kong and to draw up a contingency plan for Hong Kong-based Taiwan institutions after 1997. Through all these actions, they have undisguisedly brought their political ideology to Hong Kong. This is something that we (Beijing) do not wish to see, because it does not tally with the overall interests of the mainland, Taiwan, Hong Kong, and all of China. In fact, certain Hong Kong-based Taiwan institutions have always been engaged in activities that are anti-China and anti-communist and that try to destabilize Hong Kong, and what they are doing totally runs counter to their registered nature in Hong Kong. It is our hope that they can start working for the overall interests of China now and stop their hostile political activities. If they continue their ill-advised practices after 1997, there will not be any room for maneuvering."

The expert on Taiwan affairs in Beijing has pointed out that there is no mistaking the aim of this declaration by the authoritative CPC official. During a radio interview in mid-January this year, Cheng Kuo-an, general manager of the China Travel Agency, the top representative of Hong Kong-based Taiwan institutions (who is in fact the top Taiwan official in Hong Kong), indicated that if the freedom and safety of people in both Hong Kong and Macao are under threat due to certain political reasons, Taiwan will provide these people with the necessary assistance, including sending them to Taiwan or making corresponding arrangements. This is, in essence, a pledge to admit political refugees from Hong Kong. If Taiwan really does that after 1997, it will be highly questionable whether Taiwan institutions can continue to operate in Hong Kong.

This expert believes Beijing will draw up a series of laws, rules, and regulations on the basis of both "Qian's Seven Points" and the "Six Not Allow's" with the goal of making sound preparations for a successful handling of Hong Kong-Taiwan relations.

#### **Hong Kong: Canadian Minister Guarded on Granting Visa-Free Access**

HK2207055696 Hong Kong HONGKONG  
STANDARD in English 22 Jul 96 p 2

[By Cecilia So]

[PTS Transcribed Text for FBIS] Canada's Minister of Foreign Affairs, Lloyd Axworthy, last night refused to commit himself on the granting of visa-free access for Special Administrative Region (SAR) passport holders until "certain technicalities" were resolved with China.

Mr Axworthy was speaking after arriving in Hong Kong for a two-day stopover. He will later travel to Jakarta

for the Regional Forum of the Association of Southeast Asian Nations, which begins tomorrow.

He was invited to meet Governor Chris Patten at an official dinner at Government House.

Acting Chief Secretary Donald Tsang Yam-kuen, Democratic Party vice-chairman Yeung Sum, Liberal Party member Miriam Lau Kin-yee and local businessmen were also invited.

Mr Yeung said that during the dinner he asked Mr Axworthy if Canada was ready to grant visa-free access to holders of SAR passports after the handover.

"The minister expressed a positive response on this issue," Mr Yueng said. "But he added there were still some technical problems that Canada must work out with China."

Canada was among the first countries to agree in principle to granting visa-free access to SAR passport holders.

Mr Axworthy will meet legislators during his stay, which will include talks today with Democratic Party chairman Martin Lee Chu-ming and members of the Preparatory Committee. Discussions will be held on the transfer of sovereignty.

Democratic Party member Huang Chen-ya hoped issues concerning the protection of human rights and the development of democracy in Hong Kong after 1997 would also be addressed.

Member of the National People's Congress Cheng Yiu-tong and Democratic Alliance for the Betterment of Hong Kong legislator Chan Kam-lam both hoped Mr Axworthy would take the opportunity to clarify Canada's position on the visa-free issue, and make an announcement as soon as possible to ease the anxiety of Hong Kong people.

Mr Chan said although he was not invited to meet Mr Axworthy, he hoped the minister would enhance trade relations between Hong Kong and Canada after 1997.

There are about 100,000 Canadians in Hong Kong and nearly two-thirds of the territory's emigrants in the past two years have moved to Canada.

#### **Hong Kong: Fujian Secretary on Increasing Cooperation**

OW2307021896 Beijing XINHUA in English  
0144 GMT 23 Jul 96

[FBIS Transcribed Text] Fuzhou, July 22 (XINHUA) — A top official from coastal Fujian Province, east China, has vowed to speed up all forms of cooperation with Hong Kong in the future.

Jia Qinglin, secretary of the Fujian Provincial Committee of the Chinese Communist Party, said that Fujian will have unique advantages it expands cooperation with Hong Kong.

Hong Kong has 800,000 residents of Fujian origin, about 15 percent of its population. And many of them have extensive relations with overseas Chinese who live in southeast Asia.

From 1979 through 1995, Fujian brought in 13.73 billion U.S. dollars in overseas investment, 57 percent of which came from Hong Kong.

"Over the past ten-plus years Hong Kong has remained Fujian's leading trading partner," he said.

During the 1979-1995 period, 44 percent of exports from Fujian went to Hong Kong, which also provided 48 percent of the imports into the province, he added.

By the end of the century, Fujian will have scored an eight-fold increase in its gross domestic product (the value of goods and services produced) from 1980 and established a market economic structure.

"To achieve this objective, we must do our utmost to expand cooperation and exchanges with the rest of the world, introduce foreign managerial expertise, technology, personnel and funds, and adapt to the economy of the world as a whole," Jia said.

To this end, Fujian will give top priority to expanding cooperation with Hong Kong, he noted.

"I think to gear itself with the global economy, Fujian should first adapt its economy to the Hong Kong economy," he said, adding that Hong Kong's economy is vigorous and holds an important position in the Asia-Pacific economy and the world economy at large.

Fujian needs to forge close cooperative ties with Hong Kong in many areas, such as trade and the introduction of sophisticated technology, information, personnel and funds.

"Invigorating the economy of China's inland requires Hong Kong's stability and prosperity, whereas Hong Kong's stability and prosperity are inseparable from its close cooperation with Fujian and other parts of the interior area," he said.

For instance, Fujian's investment, trade, technology and labor markets are appealing to Hong Kong, he said.

Labor-intensive industries in Hong Kong are shifting toward technology- and capital-intensive industries, he said. Hong Kong companies have set up 40,000 factories in the inland areas so far, involving 200 billion dollars in total investment, he added.



"I am convinced that Fujian can certainly accommodate businesses that are to be moved out of Hong Kong. So the two areas can greatly expand cooperation in this regard," Jia said. According to the provincial leader, Fujian can improve its market economic mechanism by drawing on Hong Kong's economic managerial model, including standardizing the conduct of the government under the conditions of a market economy, improving economic management efficiency of the government and further perfecting the economic operational system of a market economy.

He said that Fujian also can draw on Hong Kong's practices in pursuing an open, free-port economy, such as allowing free imports and exports, full authority of enterprises in operation and management, free convertibility of foreign exchanges and free entry and exit of personnel.

Jia Qinglin emphasized the need to expand Fujian-Hong Kong trade relations.

"With its economy focusing on exports, Fujian should try to expand trade relations with Hong Kong in order to broaden its global market and spur the growth of its export-led economy," he said.

He said it is necessary to introduce funds from overseas by relying on Hong Kong as an international financial center.

"With the help of Hong Kong, we should make breakthroughs in utilizing overseas funds in the service sector, trade and banking," he said.

He acknowledged that Fujian must step up cooperation in the telecommunications and information industries, in order to accelerate its economic growth.

It is also necessary to speed up the construction of ports in Fujian by bringing into full play Hong Kong's role as an international transport hub, and to advance cooperation between Fujian and Taiwan by relying on Hong Kong's status as a "bridge" that can be used in handling relations with Taiwan.

He said that Fujian currently has 118 enterprises in the Hong Kong-Macao region.

"We should give full play to the role of the enterprises as a window for Fujian in promoting cooperation with Hong Kong in establishing companies overseas, contracting for overseas construction projects and providing labor services," he added.

"We are sure that Hong Kong's tomorrow will be even more splendid. We fully confide in Hong Kong's future. And we are full of hope that we will certainly succeed in cooperation with Hong Kong," Jia said.

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